

<b>SOLICITATION, OFFER AND AWARD</b>		1. THIS CONTRACT IS RATED ORDER UNDER DPAS (15 CFR 350) >		RATING DO-A70	PAGE OF PAGES 1   67
2. CONTRACT NO.	3. SOLICITATION NO. N00164-01-R-0057	4. TYPE OF SOLICITATION [ ] SEALED BID (IFB) [X] NEGOTIATED (RFP)	5. DATE ISSUED 5/16/01	6. REQUISITION/PURCHASE NO. 10711804	
7. ISSUED BY CODE N00164 COMMANDER CODE 1163WP, BLDG. 2693 NAVSURFWARCEMDIV 300 HIGHWAY 361 CRANE, IN 47522-5001		8. ADDRESS OFFER TO (If other than Item 7)			

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".

**SOLICITATION**

9. Sealed offers in original and 1 copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depository located in B. 2693 until 2:00 PM EST local time 05/31/01.  
CAUTION – LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-10. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL: >	A. NAME LUANN SHELTON	B. TELEPHONE NO. (include area code) (NO COLLECT CALLS) (812) 854-3711
--------------------------------	--------------------------	---

**11. TABLE OF CONTENTS**

(x)	SEC.	DESCRIPTION	PAGE(S)	(x)	SEC.	DESCRIPTION	PAGE(S)
PART I – THE SCHEDULE				PART II - CONTRACT CLAUSES			
X	A	SOLICITATION/CONTRACT FORM	1	X	I	CONTRACT CLAUSES	31-54
X	B	SUPPLIES OR SERVICES AND PRICES/COSTS	2-5	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
X	C	DESCRIPTION/SPECS./WORK STATEMENT	6-13	X	J	LIST OF ATTACHMENTS	55
X	D	PACKAGING AND MARKING	14-16	PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X	E	INSPECTION AND ACCEPTANCE	17 -18	X	K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	56-64
X	F	DELIVERIES OR PERFORMANCE	19-20				
X	G	CONTRACT ADMINISTRATION DATA	21-23	X	L	INSTRS., COND., AND NOTICES TO OFFERORS	65-67
X	H	SPECIAL CONTRACT REQUIREMENTS	24-30	X	M	EVALUATION FACTORS FOR AWARD	

**OFFER (Must be fully completed by offeror)**

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within \_\_\_\_\_ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52-232-8) >	10 CALENDAR DAYS %	20 CALENDAR DAYS %	30 CALENDAR DAYS %	CALENDAR DAYS %
14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amend-  Ments to the SOLICITATION for offerors and  Related documents numbered and dated.	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE
15A. NAME AND ADDRESS OF OFFEROR	CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or Print)	
15B. TELEPHONE NO. (Include area Code)	15C. CHECK IF REMITTANCE ADDRESS [ ] IS DIFFERENT FROM ABOVE. ENTER SUCH ADDRESS IN SCHEDULE		17. SIGNATURE	18. OFFER DATE

**AWARD (To be completed by Government)**

19. ACCEPTED AS TO ITEMS NUMBERED	20. AMOUNT	21. ACCOUNTING AND APPROPRIATION	
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION:  [ ] 10 U.S.C. 23204(c) ( ) [ ] 41 U.S.C. 253 (c) ( )		23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified) >	ITEM
24. ADMINISTERED BY (If other than Item 7) CODE		25. PAYMENT WILL BE MADE BY CODE	
26. NAME OF CONTRACTING OFFICER (Type or print)		27. UNITED STATES OF AMERICA (Signature of Contracting Officer)	28. AWARD DATE

**IMPORTANT – Award will be made on the Form, or Standard Form 26, or by other authorized official written notice.****SECTION "B"**

The Contractor shall furnish the following supplies and services when ordered by the Contracting Officer in accordance with the terms and conditions set forth in this Basic Ordering Agreement (BOA) This agreement shall remain in effect from date of award until through three years. The total amount of orders placed under this BOA shall not exceed \$9,000,000.00 unless the amount is increased by written Modification to this BOA.

<b>Item</b>	<b>Supplies/Services</b>
0001	Depot Support Services
0002	Repair of SRA's and SRU's
0003	End Item Component Parts
0004	Field Engineering Services
0005	Failure Analysis
0006	System Improvement /Modification Services
0007	Engineering Drawings and Documentation
0008	Miscellaneous Support Services
0009	FMS Support ( line item will be utilized for any Foreign Military Procurement)
0010	Travel
0011	Contract Data Requirement List (CDRL's)

#### **SECTION "B" NOTES:**

(1) SECTION "K" herein will be incorporated by reference and made a material part of any resultant contract in accordance with FAR 15.406-1(b).

CDRL Line Item 0010 - CDRL items are in accordance with Section "J" of the BOA. CDRL's are not limited to the list provided in section "J". In the event a CDRL item is needed that is not included in the list the CDRL item will be added to the BOA prior to the placement of the order..

BOA LANGUAGE FOR SECTION B – (5301)

The Contractor shall furnish the following supplies and services when ordered by the Contracting Officer in accordance with the terms and

conditions set forth in this Basic Ordering Agreement (BOA). This agreement shall remain in effect, three years from effective date of BOA, subject to the special contract requirement entitled "MODIFICATION AND TERMINATION" (NAVSEA 5252.249-9106).

(X ) The agency authorized to place orders against this contract is: Crane Division, Naval Surface Warfare Center, Crane, IN 47522.

(X ) Orders shall be placed against this Basic Ordering Agreement using a DD 1155.

This BOA sets forth terms and conditions for the line items in "Section B", however it neither constitutes an obligation by the Government to place future orders, nor shall it be used in any manner to restrict competition except authorized by 10 U.S.C. 2304 (C)(1). The period for which orders may be ordered against this BOA is three years from the effective date.

#### LETTER CONTRACT (COST) (NAVSEA) (MAY 1993) - (5308)

This contract is a Letter Contract as defined in FAR 16.603.1. It is agreed that the definitive contract resulting from this Letter Contract will include a negotiated \* fee in no event to exceed \$ \*\* and the total amount (including \* fee) shall not exceed \$ \*\* .

- \* "fixed" for CPFF
- "maximum" for CPIF
- "award" for CPAF
- \*\* Insert dollar value

#### LETTER CONTRACT (FIXED-PRICE) (NAVSEA) (MAY 1993) - (5309)

This contract is a Letter Contract as defined in FAR 16.603-1. It is agreed that the definitive contract resulting from this Letter Contract will include a negotiated \* in no event to exceed \$ \*\* .

- \* Insert type of contract (FFP, FPI, FPAF, FPE)
- \*\* Insert dollar value

#### LIMITATION OF COST OR LIMITATION OF FUNDS LANGUAGE – (5310)

The clause entitled "LIMITATION OF COST" (FAR 52.232-20) or "LIMITATION OF FUNDS" (FAR 52.232-22), as appropriate, shall apply separately and independently to each separately identified estimated cost.

#### PAYMENT FOR ENGINEERING SERVICES AND SUPPORT - ALTERNATE I (NAVSEA) (JUN 1992) – (5312)

- (a) Invoices for engineering services and overtime shall contain the name(s) of engineer(s), date(s) and place(s) of performance, and a brief description of the services performed. Each invoice shall be accompanied by a copy of the authorization for services and the original certification of performance. A copy of each invoice shall be furnished to the applicable NAVSEA/DRPM/PEO code identified elsewhere in the contract.
- (b) Invoices for subsistence and transportation shall be supported by a statement of actual costs incurred by the Contractor and claimed to be reimbursable and shall be in such form and reasonable detail as required by the cognizant Defense Contract Audit Agency (DCAA). The Government shall make provisional payment after submission of each invoice and statement of costs. At any time prior to final payment, DCAA may audit the invoice(s) and statement(s) of costs, as appropriate.
- (c) Each provisional payment for subsistence and transportation costs shall be subject to reduction to the extent any amount included in the related invoice and statement of costs is found not to be reimbursable under the support item(s) and shall also be subject to reduction
- (d) for overpayment or to increase for underpayment on preceding invoices. Any disputes under this requirement shall be determined in accordance with the clause of this contract entitled "DISPUTES" (FAR 52.233-1).
- (d) Separate invoices shall be submitted for selected replacement repair parts subsequent to the establishment of prices therefor in accordance with SECTION C of this contract.

#### PAYMENTS OF FEE(S) (COMPLETION) (NAVSEA) (MAY 1993) - (5313)

- (a) For purposes of this contract, "fee" means "target fee" in cost-plus-incentive-fee type contracts, "base fee" in cost-plus-award-fee type

contracts, "fixed fee" in cost-plus-fixed-fee type contracts for completion and phase type contracts.

(b) The Government shall make payments to the Contractor, subject to and in accordance with the clause in this contract entitled "FIXED FEE" (FAR 52.216-8) or "INCENTIVE FEE", (FAR 52.216-10), as applicable. Such payments shall be equal percent ( %) of the allowable cost of each invoice submitted by and payable to the Contractor pursuant to the clause of this contract entitled "ALLOWABLE COST AND PAYMENT" (FAR 52.216-7), subject to the withholding terms and conditions of the "FIXED FEE" or "INCENTIVE FEE" clause, as applicable (percentage of fee is based on fee dollars divided by estimated cost dollars, including facilities capital cost of money). Total fee(s) paid to the Contractor shall not exceed the fee amount(s) set forth in this contract.

(c) In the event of discontinuance of the work under this contract, or any specified phase of the contract, in accordance with the clause of this contract entitled "LIMITATION OF FUNDS" (FAR 52.232-22) or "LIMITATION OF COST" (FAR 52.232-20), as applicable, the fee shall be equitably adjusted by mutual agreement to reflect the diminution of work. If the adjusted fee is less than the sum of all fee payments made to the Contractor under this contract, the Contractor shall repay the excess amount to the Government. If the adjusted fee exceeds all payments made to the Contractor under this contract, the Contractor shall be paid the additional amount, subject to the availability of funds. In no event shall the Government be required to pay the Contractor any amount in excess of the funds obligated under this contract at the time of the discontinuance of work.

(d) Fee(s) withheld pursuant to the terms and conditions of this contract shall not be paid until the contract has been modified to reduce the fee(s) in accordance with paragraph (c) above, or until the Procuring Contracting Officer has advised the paying office in writing that no fee adjustment is required.

NOTE: Percentage of fee is based on fee dollars divided by estimated cost dollars, including facilities capital cost of money.

#### PAYMENTS OF FEE(S) (LEVEL OF EFFORT) (NAVSEA) (MAY 1993) - (5314)

(a) For purposes of this contract, "fee" means "target fee" in cost-plus-incentive-fee type contracts, "base fee" in cost-plus-award-fee type contracts, or "fixed fee" in cost-plus-fixed-fee type contracts for level of effort type contracts.

(b) The Government shall make payments to the Contractor, subject to and in accordance with the clause in this contract entitled "FIXED FEE" (FAR 52.216-8) or "INCENTIVE FEE", (FAR 52.216-10), as applicable. Such payments shall be equal to percent ( %) of the allowable cost of each invoice submitted by and payable to the Contractor pursuant to the clause of this contract entitled "ALLOWABLE COST AND PAYMENT" (FAR 52.216-7), subject to the withholding terms and conditions of the "FIXED FEE" or "INCENTIVE FEE" clause, as applicable (percentage of fee is based on fee dollars divided by estimated cost dollars, including facilities capital cost of money). Total fee(s) paid to the Contractor shall not exceed the fee amount(s) set forth in this contract.

(c) The fee(s) specified in SECTION B, and payment thereof, is subject to adjustment pursuant to paragraph (g) of the special contract requirement entitled "LEVEL OF EFFORT." If the fee(s) is reduced and the reduced fee(s) is less than the sum of all fee payments made to the Contractor under this contract, the Contractor shall repay the excess amount to the Government. If the final adjusted fee exceeds all fee payments made to the contractor under this contract, the Contractor shall be paid the additional amount, subject to the availability of funds. In no event shall the Government be required to pay the Contractor any amount in excess of the funds obligated under this contract at the time of the discontinuance of work.

(d) Fee(s) withheld pursuant to the terms and conditions of this contract shall not be paid until the contract has been modified to reduce the fee(s) in accordance with the "LEVEL OF EFFORT" special contract requirement, or until the Procuring Contracting Officer has advised the paying office in writing that no fee adjustment is required.

#### TRAVEL COSTS - ALTERNATE I (NAVSEA) (MAY 2000) – (5315)

(a)(1) Except as otherwise provided herein, the Contractor shall be reimbursed for its reasonable actual travel costs in accordance with FAR 31.205-46. The costs to be reimbursed shall be those costs accepted by the cognizant DCAA.

(a)(2) In accordance with Class Deviation 2000-00005, DOD Contractors may choose to use either the FTR rates and definitions for travel, lodging and incidental expenses effective on 31 December 1998 or the current FTR rates and definitions. The Contractor must choose either the 1998 definitions and rates or the current FTR definitions and rates and apply them consistently to all travel while this class deviation, or its successor, is in effect.

(b) Reimbursable travel costs include only that travel performed from the Contractor's facility to the worksite, in and around the worksite, and from the worksite to the Contractor's facility.

(c) Relocation costs and travel costs incident to relocation are allowable to the extent provided in FAR 31.205-35; however, Contracting Officer approval shall be required prior to incurring relocation expenses and travel costs incident to relocation.

(d) The Contractor shall not be reimbursed for the following daily local travel costs:

- (i) travel at U.S. Military Installations where Government transportation is available;
- (ii) travel performed for personal convenience/errands, including commuting to and from work; and
- (iii) travel costs incurred in the replacement of personnel when such replacement is accomplished for the Contractor's or employee's convenience.

(End of Text)

**SECTION "C" - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT**

**BOA LANGUAGE FOR SECTION C – (5401)**

The Contractor shall furnish supplies or services under the items specified in Section B of the Schedule in accordance with detailed specifications or requirements set forth in orders issued by the Contracting Officer in accordance with the special contract requirement(s) of this agreement entitled "ORDERS".

**ITEM(S) - DATA REQUIREMENTS (NAVSEA) (SEP 1992) – (5402)**

The data to be furnished hereunder shall be prepared in accordance with the Contract Data Requirements List, DD Form 1423, Exhibit(s), attached hereto.

#### UPDATING SPECIFICATIONS AND STANDARDS (NAVSEA) (AUG 1994)(5420)

If, during the performance of this or any other contract, the contractor believes that any contract contains outdated or different versions of any specifications or standards, the contractor may request that all of its contracts be updated to include the current version of the applicable specification or standard. Updating shall not affect the form, fit or function of the deliverable item or increase the cost/price of the item to the Government. The contractor should submit update requests to the Procuring Contracting Officer with copies to the Administrative Contracting Officer and cognizant program office representative for approval. The contractor shall perform the contract in accordance with the existing specifications and standards until notified of approval/disapproval by the Procuring Contracting Officer. Any approved alternate specifications or standards will be incorporated into the contract.

#### DATA PACKAGING LANGUAGE (5503)

All unclassified data shall be prepared for shipment in accordance with best commercial practice. Classified reports, data, and documentation shall be prepared for shipment in accordance with National Industrial Security Program Operating Manual (NISPOM), DOD 5220.22-M dated January 1995.

#### ITEM(S) - SUPPORT FOR ENGINEERING SERVICES - ALTERNATE I (NAVSEA) (JUN 1992) – (5406)

(a) The Contractor shall be reimbursed for its reasonable actual subsistence and transportation costs incurred in the performance of the related engineering services item(s) in accordance with FAR 31.205-46. The costs to be reimbursed shall be those costs accepted by the cognizant DCAA.

(b) Overtime shall be performed as required by the using activity and to the extent authorized by the applicable NAVSEA/DRPM/PEO code identified in Section C under Engineering Services.

(c) The Contractor shall furnish selected replacement repair parts, other than repair parts carried in and readily available from the Navy supply system, which in its judgement may be required during servicing of the equipment to replace worn, defective or malfunctioning parts. This item shall also cover minor redesign, and improvements in components of items, as approved by the applicable NAVSEA/DRPM/PEO code identified in Section C under Engineering Services. As soon as practicable after completion of services for a specific vessel for which selected replacement repair parts were furnished, the Contractor shall submit an itemized priced list of the parts to the Contracting Officer. Prices shall be subject to agreement between the Contracting Officer and the Contractor. Such agreement shall be evidenced by a bilateral contract modification. Any dispute, or failure of the parties to reach agreement on the prices for any or all of the parts, shall be determined in accordance with and subject to the clause of this contract entitled "DISPUTES" (FAR 52.233-1).

(d) The maximum liability of the Government for each support item shall not exceed the estimated amount set forth in the Schedule. If, at any time, the Contractor has reason to believe that the costs it expects to incur in the performance of each support item in the next succeeding sixty (60) days, when added to all costs previously incurred, will exceed seventy-five percent (75%) of the amount then set forth in the Schedule; or if, at any time, the Contractor has reason to believe that the costs to the Government for the full performance of each support item will be greater or substantially less than the amount set forth in the Schedule, the Contractor shall notify the Contracting Officer in writing, giving its revised estimate of such costs for the performance of said item. The Contracting Officer may, upon receipt of such notice or whenever the Contracting Officer considers it necessary, increase or further increase the total estimated amount for the performance of each support item. When and to the extent the estimated amount for a support item has been so increased, any amounts expended or incurred by the Contractor for performance in excess of the estimated amount therefor prior to the increase, shall be paid or reimbursed to the same extent as if expended or incurred after the increase.

#### ASSIGNMENT AND USE OF NATIONAL STOCK NUMBERS (NAVSEA) (MAY 1993) – (5407)

To the extent that National Stock Numbers (NSNs) or preliminary NSNs are assigned by the Government for the identification of parts, pieces, items, subassemblies or assemblies to be furnished under this contract, the Contractor shall use such NSNs or preliminary NSNs in the preparation of provisioning lists, package labels, packing lists, shipping containers and shipping documents as required by applicable specifications, standards or Data Item Descriptions of the contract or as required by orders for spare and repair parts. The cognizant Government Contract Administration Office shall be responsible for providing the Contractor such NSNs or preliminary NSNs which may be assigned and which are not already in possession of the Contractor.

#### LIMITATION OF LIABILITY - HIGH VALUE ITEMS (NAVSEA) (JUN 1992) – (5414)

The following items are subject to the clause of this contract entitled "LIMITATION OF LIABILITY--HIGH VALUE ITEMS" (FAR 52.246-24):

---

---

---

---

## DATE/TIME PROCESSING REQUIREMENT--INFORMATION TECHNOLOGY (NAVSEA) (JUN 2000)(5425)

- (a) All information technology (IT), whether commercial or noncommercial, delivered under this contract that will be required to perform date/time processing involving dates subsequent to December 31, 1999, shall be Year 2000 compliant if properly installed, operated, and maintained in accordance with the contract specifications and applicable documentation. If the contract requires that specific deliverables operate together as a system, this requirement shall apply to those deliverables as a system.
- (b) "Information Technology" or "IT," as used in this requirement, means "information technology" as that term is defined at FAR 2.101, and further including those items that would otherwise be excluded by paragraph (c) of that definition. "Year 2000 compliant" (as defined at FAR 39.002) means that the IT accurately processes date/time data (including), but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations, to the extent that other IT, used in combination with the IT being delivered, properly exchanges date/time data with it. The "proper exchange" of date/time data shall be in accordance with the interface requirements specification(s) of the contract.
- (c) For line item deliverables which are commercial items (as defined at FAR 2.101), and which include commercial IT, the terms and conditions of the standard commercial warranty covering such commercial IT shall apply in addition to, and to the extent such terms and conditions are consistent with, this requirement. Any applicable commercial warranty shall be incorporated into this contract by attachment.
- (d) Notwithstanding any provision to the contrary in any other warranty of this contract, or in the absence of any such warranty(ies), the remedies available to the Government under this requirement shall include those provided in the Inspection clause(s) of this contract. Nothing in this requirement shall be construed to limit any rights or remedies the Government may otherwise have under this contract.
- (e) Unless specified elsewhere in the contract, the Contractor will also deliver to the Government a report summarizing any Year 2000 compliance testing that was performed, and the results thereof.
- (e) The remedies available to the Government for noncompliance with this requirement shall remain available until 31 January 2001, or one hundred eighty (180) days after acceptance of the last deliverable IT item under this contract (including any option exercised hereunder), whichever is later.

## STATEMENT OF WORK AN/SLQ-32(V) BOA

1. SCOPE. This Statement of Work (SOW) defines the efforts required of the Contractor in follow-on support of the AN/SLQ-32(V) system. Contract Specifications SHIPS-C-5969F, SHIPS-C-5970F, SHIPS-C-5971F and SHIPS-C-W1-1B establish the performance, design, and fabrication and test requirements of the AN/SLQ-32(V) systems. The Contractor shall develop and manufacture engineering hardware design changes to comply with the requirements of individual ORDERS placed under this BOA.

2. APPLICABLE DOCUMENTS. The following documents, or prior versions of these documents, have previously provided the framework for this established program. They are cited for guidance in this Basic Ordering Agreement (BOA), to be implemented as required by specific ORDERS placed under this BOA. In case of conflict between the documents referenced and the contents of this SOW, the contents of this SOW shall prevail.

### 2.1. MILITARY SPECIFICATIONS.

MIL-3-17555H Amendment 2	15 Nov 84 2 Nov 92	Electronic and Electrical Equipment, Accessories and Provisioned Items (Repair Parts), Packaging of
MIL-M-24784\8 (SH)	6 Sep 94	Manual, Technical Repair Standards (TRS), Requirements for Electrical Standards

### 2.2. MILITARY STANDARDS.

MIL-STD-129M	15 Jun 93	Marking for Shipment and Storage
MIL-STD-490A	4 Jun 85	Specification Practices
MIL-STD-973 Interim Change Notice 3	17 Apr 92 13 Jan 95	Configuration Management
MIL-STD-2039 Notice 1	7 Feb 92 14 Apr 94	Field Changes and Field Change Kits, Preparation of



2.3. OTHER.

ISO 10012-1	1992	Quality assurance requirement for measuring equipment -- Part I
ISO/DIS 10012-2		Quality assurance Requirements for measuring Equipment -- Part II
ISO 9001	1994	Quality System Standards
PEO(TAD) SHIPS-C-5969E	3 May 93	Contract Specification, Countermeasures Set AN/SLQ-32A(V)1
PEO(TAD) SHIPS-C-5970E	3 May 93	Contract Specification, Countermeasures Set AN/SLQ-32(V)2
PEO(TAD) SHIPS-C-5971E	3 May 93	Contract Specification, Countermeasures Set AN/SLQ-32(V)3
SHIPS-C-W1-1B	3 Mar 92	Naval Sea Systems Command Contract Specification Countermeasures Set AN/SLQ-32(V)4
Integrated Ship Defense Technical Manual Consistency Standard W/Change 6	3 Jun 94 10 Apr 96	
PEO(TAD)D CM PLAN No. 9470-002-A-X-C	5 Jan 96	Configuration Management Plan for PEO(TAD)D Programs
CM Plan Q7ST-001- A-O-C	30 May 95	Configuration Management Plan for the AN/SLQ-32(V) Countermeasures Set
FAC90-16	19 Feb 93	Federal Acquisition Regulation, Subpart 45.6- Reporting, Redistribution, and Disposal of Contractor Inventory

3. REQUIREMENTS. The following paragraphs describe each area of anticipated follow-on support of the AN/SLQ-32 (V) System and as associated with the Contractual Line Item given.

#### ITEM DESCRIPTION

##### 0001 Depot Support Services

The contractor shall maintain the capability to support the depot level repair of the AN/SLQ-32(V) system. An overhaul and repair capability shall be maintained as a distinctly separate function from AN/SLQ-32(V) production and EW improvement program activities to permit concurrent operation while still benefiting from coordination in areas such as Configuration Management (CM) and engineering support. CM actions will be limited to changes that will be documented through an Engineering Change Proposal, CDRL A001; Request for Deviation, CDRL A002; Request for Waiver, CDRL A003; or Specification Change Notice, CDRL A004. The purpose of this CM is to obtain approval for changes, Class I or Class II and document those approved changes. All changes will be provided to PMS 73-3 for distribution, review and comment. Government developed change documentation will be provided to Raytheon as Government Furnished Information. The Contractor shall provide all logistic needs including bonded storage of spare/repair parts, repairs, overhauls, configuration control, and field engineering, required to ensure effective support of AN/SLQ-32(V) systems in the field.

The Contractor shall be responsible for the following element of CM:

- Test Stations

Establish and maintain configuration identification, control, status accounting, for the following Government-owned test stations previously procured under an AN/SLQ-32(V) BOA: A02, A05A, A13, A14, A15, and U15. This includes test station hardware, test procedures, and test programs.

The Contractor shall provide Program Management/Coordination as follows:

- The Contractor shall have management responsibility for establishing, staffing, equipping, and operating a repair and overhaul capability for the AN/SLQ-32(V). The Contractor shall coordinate all activities and provide reports to the Government for all contractual requirements.
- Management of the quality assurance program will be the collective effort of management for all the groups which affect the quality of overhaul/repair. The quality assurance program shall meet the requirements of ISO-9001.
- The Contractor shall prepare a Monthly Status Report in accordance with CDRL A005 that includes the progress and status made against milestones during the reporting period. In addition the Contractor shall be responsible for planning, implementing, data preparation, and management of any contractual data requirements described in the Contract data Requirements List (CDRL) Form DD 1423, accompanying ORDERS for services under this SOW.

## 0002 SRA/SRU Repair

The Contractor shall provide repair services for AN/SLQ-32(V) SRAs/SRUs. Upon receipt, SRAs/SRUs shall be inspected, documented, and a request submitted to the ACO, Goleta, for repair authorization via tasking on the TDL. Requests for repair authorization shall be submitted to the ACO, Goleta, as required, but intervals will not exceed 30 days. Urgent repairs, as designated by the ACO can be identified at any time and shall commence immediately upon designation. An evaluation test shall be performed to determine the condition of the SRA/SRU. The criteria for repair shall be based upon repair cost versus replacement cost, spares shortages and procurement lead time. Upon approval of the repair authorization, the SRA/SRU shall be repaired and the post repair/modification condition of each item repaired/modified by the Contractor or his subcontractor shall conform to the configuration level identified in the TDL. Identification markings shall be corrected, if appropriate, to reflect the current configuration status prior to delivery. In no case will unapproved or pending changes be incorporated during repair. Upon completion of repair/modification and testing, the SRA/SRU shall be final tested and inspected. The SRA/SRU shall then be packaged, identified, and delivered as directed by the ACO.

The Contractor shall accurately monitor and control all repair/overhaul services and provide Government Furnished Equipment (GFE) Status Reports in accordance with CDRL A006.

## 0003 End Item Component Parts

The Contractor shall furnish complete subassemblies of the AN/SLQ-32(V) system equipments as Ordered and as identified by equipment reference designation, nomenclature, and part number. Such subassemblies will be suitable for direct exchange of similar components performing the identical system function. Each such component item furnished shall conform to the configuration levels/revisions identified in the latest Navy Configuration Item (CI) list revision for that item. Each item shall be tested and accepted in accordance with the NAVSEA approved test plan and test procedures for the qualification and acceptance of identical subassemblies when part of a complete AN/SLQ-32(V) system.

## 0004 Field Engineering Services

On receipt of ORDER the Contractor shall provide qualified technical service support to the U. S. Navy and to Foreign Navies as authorized by the NPTR in response to requests for technical assistance in supports of AN/SLQ-32(V) systems within the Continental United States and at overseas locations. AN/SLQ-32(V) field engineering technical services will include but not be limited to:

- Assistance during initial light-off
- Troubleshooting
- System checkout
- Identification of problem areas
- Installation of replacement parts
- Conduct of informal On-the-Job Training (OJT)

- Conduct formal classroom training
- Assistance during system installation/deinstallation
- Installation checkout assistance
- System grooming
- Assistance during ECP/Field Change checkout/installation

Qualified personnel will be provided as required by the Government to support AN/SLQ-32(V) systems.

Field engineers will be dispatched to any ship or fixed station as directed by an authorized representative of the Government.

The field engineering team will be qualified in both Electronic Support (ES) and Electronic Attack (EA) portions of the AN/SLQ-32(V) system.

The Contractor will be responsible for ensuring that AN/SLQ-32(V) field engineering personnel are kept fully informed and up-to-date with AN/SLQ-32(V) latest hardware/software configuration baseline and approve changes thereto.

Field Engineer Responsibilities – Field engineers shall be capable of performing all actions necessary to restore a system to operational status as follows:

- Isolate and identify faulty hardware/software, determine the consequences of failures and malfunctions, investigate the probability of additional failures of a similar nature occurring with other systems, and make known the findings to the Government and the Contractor.
- Install CCAs, SRAs, and SRUs.
- Perform detailed tests in accordance with the SDT and in consonance with the latest Maintenance Requirement Cards (MRCs) to isolate faults and to ensure a system is operating at peak efficiency.
- Conduct formal classroom and informal OJT for shipboard/station personnel to provide a basis for a better understanding of the AN/SLQ-32(V) system. All OJT will be conducted in the English language.
- Assist and cooperate with special services teams and follow up such activity with special reports as required and directed by the Government.
- Report specific field-related problems to the Government.
- Submit all proposed improvements to technical manuals to the Government.
- Identify and inform the Government of any software-related problem which affects equipment performance, operation, or other limitations.
- Install, by Government direction only, all authorized modifications or ECPs/Field Changes required to improve system operation and performance. Signed copies of the DD Form 250 for each installed ECP/Field Change will be obtained by the field engineer from the responsible person at the

station/site, then submitted to the Contractor's Field Engineering Manager. Upon completion of an ECP/FC installation, a 4790CK form must be prepared for the ship or site.

A Technical Report shall be provided in accordance with CDRL A007.

#### 0005 Failure Analysis

The Contractor shall perform Failure Analysis, trend analysis, and recommend corrective action in accordance with the specific requirements of the orders for such services and the requirements of this BOA. As directed by the ORDER, the cause of each equipment or part failure shall be determined by investigation and analysis.

#### 0006 System Improvements/Modifications Services

The Contractor shall design, develop, fabricate, test, evaluate, deliver, install and document product improvements/modifications in accordance with the ORDERS for such services. The Contractor shall research and identify AN/SLQ-32(V) system operability and/or performance problems and/or system design limitations. The Contractor shall develop alternative solutions and/or approaches to implement corrective action in hardware and/or software and/or to improve/enhance system performance. The Contractor shall perform engineering analyses, tests and evaluations for both hardware and software as specified within each individual task order.

#### 0007 Engineering Drawings and Documentation

The Contractor shall develop and deliver engineering drawings and technical documentation in accordance with the specific requirements of the ORDERS for such services. The Contractor shall ensure drawings and documentation are complete and updated, including ILS requirements. The Contractor shall, when custodian of affected original engineering drawings, prepare and distribute revised engineering drawings as described in such ORDERS and in accordance with CDRL A008. The revised engineering drawings will reflect the changes described in Government approved Engineering Change Proposals (ECPs) and Notices of Revision (NORs).

#### 0008 Miscellaneous Support Services

The Contractor shall provide other services not specified in this SOW, which pertain to the AN/SLQ-32 (V) system. These services shall be as specified in the SOW identified within each individual task order. These orders may involve procurement of incidental support materials and engineering support aboard ship, at shipyards or design reviews; preparation for and conduct reviews and conferences.

#### 0009 Travel

In order to support the tasks described within this SOW the Contractor may be required to make the following trips per year:

From	To	# of Travelers	# of Trips	Length in days
------	----	----------------	------------	----------------

Goleta, CA	Crane, IN	1	4	5
Goleta, CA	Washington, DC	1	4	5
Goleta, CA	Norfolk, VA	1	4	5
Goleta, CA	San Diego, CA	1	4	4

## SECTION "D" - PACKAGING AND MARKING

### PROHIBITED PACKING MATERIALS

The use of asbestos, excelsior, newspaper or shredded paper (all types including waxed paper, computer paper and similar hygroscopic or non-neutral material) is prohibited. In addition, loose fill polystyrene is prohibited for shipboard use.

### ADDITIONAL MARKING REQUIREMENTS FOR FMS ITEMS (NAVSEA) (SEP 1992) (5501)

(a) The following identifying marks shall appear on the outside of each box, parcel and/or crate and all shipping papers included in each shipment: NAVY; FMS CASE; REQUISITION NO.; ITEM DESCRIPTION

If a consolidated shipment of several items in one container is forwarded, add to the above information "CONSOLIDATED SHIPMENT, CONTAINS ITEMS".

(b) The inscription "UNITED STATES OF AMERICA" shall be affixed in a suitable size indelible stencil, label or printed form on all external shipping containers or the exterior surface of uncrated items.

(c) All invoices, correspondence, reports and other documents shall be identified with the appropriate FMS case designator, requisition number(s), and item description(s).

### BOA LANGUAGE FOR SECTION D (5502)

The supplies to be furnished by the Contractor shall be cleaned, preserved, packaged, packed and marked in accordance with instructions specified in orders issued by the Contracting Officer in accordance with the special contract requirement(s) of this agreement entitled "ORDERS".

### DATA PACKAGING LANGUAGE (5503)

All unclassified data shall be prepared for shipment in accordance with best commercial practice. Classified reports, data, and documentation shall be prepared for shipment in accordance with National Industrial Security Program Operating Manual (NISPOM), DOD 5220.22-M dated January 1995.

### IDENTIFICATION MARKING OF PARTS (NAVSEA) (NOV 1996) (5504)

(a) Identification marking of individual parts within the systems, equipment, assemblies, subassemblies, components, groups, sets or kits, and of spare and repair parts shall be done in accordance with applicable specifications and drawings. To the extent identification marking of such parts is not specified in applicable specifications or drawings, such marking shall be accomplished in accordance with the following:

- (1) Parts shall be marked in accordance with generally accepted commercial practice.
- (2) In cases where parts are so small as not to permit identification marking as provided above, such parts shall be appropriately coded so as to permit ready identification.

### MARKING AND PACKING LIST(S) (NAVSEA) (NOV 1996) (5505)

- (a) Marking. Shipments, shipping containers and palletized unit loads shall be marked in accordance with best commercial practice.
- (b) Packing List(s). A packing list (DD Form 250 Material Inspection and Receiving Report may be used) identifying the contents of each

shipment, shipping container or palletized unit load shall be provided by the Contractor with each shipment. When a contract line item identified under a single stock number includes an assortment of related items such as kit or set components, detached parts or accessories, installation hardware or material, the packing list(s) shall identify the assorted items. Where assortment of related items is included in the shipping container, a packing list identifying the contents shall be furnished.

(c) Master Packing List. In addition to the requirements in paragraph (b) above, a master packing list shall be prepared where more than one shipment, shipping container or palletized unit load comprise the contract line item being shipped. The master packing list shall be attached to the number one container and so identified.

(d) Part Identification. All items within the kit, set, installation hardware or material shall be suitably segregated and identified within the unit pack(s) or shipping container by part number and/or national stock number.

#### WARRANTY NOTIFICATION FOR ITEM(S) (NAVSEA) (NOV 1996) (5507)

The Contractor shall apply a permanent warranty notification stamping or marking on each warranted deliverable end item and its container. The notification shall be placed in close proximity to other required stamping or markings so as to be easily readable by personnel. The warranty notification shall read:

THIS ITEM WARRANTED UNDER CONTRACT N00164-\_\_\_\_\_ TO CONFORM TO DESIGN, MANUFACTURING, AND PERFORMANCE REQUIREMENTS AND BE FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP FOR \_\_\_\_\_ FROM DATE OF ACCEPTANCE. IF ITEM IS DEFECTIVE NOTIFY \_\_\_\_\_ AND PCO.

#### MARKING OF WARRANTED ITEMS (NAVSURFWARCENDIV)(5508)

(a) Each item covered by a warranty shall be stamped or marked in accordance with MIL-STD-129, Marking for Shipment and Storage. Where this is impracticable, written notice shall be attached to or furnished with the warranted item.

(b) Warranted items shall be marked with the following information:

- (1) National stock number or manufacturer's part number
- (2) Serial number or other item identifier (if the warranty applies to uniquely identified items)
- (3) Contract number
- (4) Indication that a warranty applies
- (5) Manufacturer or entity (if other than the contractor) providing the warranty
- (6) Date or time when the warranty expires
- (7) Indication of whether or not attempted on-site repair by Government personnel will void the warranty.

#### PREPARATION FOR DELIVERY (5510)

(1) PRESERVATION-PACKAGING. Preservation-packaging for Item(s) \_\_\_\_\_ shall be in accordance with the requirements of \_\_\_\_\_.

(2) PACKING. Item(s) \_\_\_\_\_ preserved-packaged as above shall be packed level \_\_\_\_\_.

#### MARKING FOR SHIPMENT (5511)

The Contractor shall mark all shipments under a resulting contract to include the following items:

Contract Number; Item Number; Lot Number (when applicable); Part Number; National Stock Number; Contractor Model Number; Serial Number; Packing Date; Attn: Code \_\_\_\_, Bldg. \_\_\_\_

#### PROHIBITED PACKING MATERIALS (5512)

The use of asbestos, excelsior, newspaper or shredded paper (all types including waxed paper, computer paper and similar hygroscopic or non-neutral material) is prohibited. In addition, loose fill polystyrene is prohibited for shipboard use.

#### INSTRUCTIONS FOR MARKING DISTRIBUTION STATEMENT (5513)

The Contractor shall comply with the instructions cited below for placement of the distribution statement associated with data. The applicable distribution statement is identified on each Contract Data Requirements List (DD Form 1423-1).

The distribution statement shall be displayed conspicuously on technical documents so as to be recognized readily by receipts. The distribution statement shall appear on each front cover and title page of a report. If the technical document does not have a cover or title page, the applicable distribution statement shall be stamped or typed on the front page in a conspicuous position.

#### UNPACKING INSTRUCTIONS: COMPLEX OR DELICATE EQUIPMENT (5514)

Location on Container. When practical, one set of the unpacking instructions will be placed in a heavy water-proof envelope prominently marked "UNPACKING INFORMATION" and firmly affixed to the outside of the shipping container in a protected location, preferably between the cleats on the end of the container adjacent to the identification marking. If the instructions cover a set of equipment packed in multiple containers, the instructions will be affixed to the number one container of the set. When the unpacking instructions are too voluminous to be affixed to the exterior of the container, they will be placed inside and directions for locating them will be provided in the envelope marked "UNPACKING INFORMATION".

Marking Containers. When unpacking instructions are provided shipping containers will be stenciled "CAUTION-THIS EQUIPMENT MAY BE SERIOUSLY DAMAGED UNLESS UNPACKING INSTRUCTIONS ARE CAREFULLY FOLLOWED. UNPACKING INSTRUCTIONS ARE LOCATED (state where located)." When practical, this marking will be applied adjacent to the identification marking on the side of the container.

Marking. All shipping containers will be marked in accordance with the Military Standard Marking for Shipment and Storage, MIL-STD-129M.

## SECTION "E" - INSPECTION AND ACCEPTANCE

- I. FEDERAL ACQUISITION REGULATION (FAR) (48 CFR CHAPTER 1) CLAUSES
- II. DEFENSE FAR SUPPLEMENT (DFARS) (48 CFR CHAPTER 2) CLAUSES

### PART I



<u>FAR Subsection</u>	<u>Title</u>	<u>Date</u>
52.246-02	Inspection of Supplies--Fixed-Price	Aug 1996
52.246-03	Inspection of Supplies--Cost Reimbursement	Apr 1984
52.246-04	Inspection of Services--Fixed-Price	Aug 1996
52.246-05	Inspection of Services--Cost Reimbursement	Apr 1984
52.246-06	Inspection-- Time-and-Material and Labor-Hour	Jan 1986
52.246-06	Inspection-- Time-and-Material and Labor-Hour (Jan 1986)--Alternate I	Apr 1984
52.246-15	Certificate of Conformance	Apr 1984
52.246-16	Responsibility for Supplies	Apr 1984
DFARS	Title	Date
252.246-7000	Material Inspection and receiving Report	Dec 1991

### CLAUSES IN FULL TEXT

#### BOA LANGUAGE FOR SECTION E (5601)

Inspection and acceptance of the supplies or services furnished by the Contractor shall be set forth in orders issued by the Contracting Officer in accordance with the special contract requirement(s) of this agreement entitled "ORDERS".

#### INSPECTION AND ACCEPTANCE LANGUAGE FOR DATA (5602)

Inspection and acceptance of all data shall be as specified on the attached Contract Data Requirements List(s), DD Form 1423.

#### INSPECTION AND ACCEPTANCE LANGUAGE FOR ENGINEERING SERVICES (5603)

Item(s) - Acceptance shall be made by the cognizant ACO upon receipt of a copy of the authorization for services and the original certification of performance.

#### INSPECTION AND ACCEPTANCE LANGUAGE FOR F.O.B. DESTINATION (5604)

Item(s) - Inspection and acceptance shall be made at destination by a representative of the Government.

#### INSPECTION AND ACCEPTANCE LANGUAGE FOR F.O.B. ORIGIN (NAVSEA) (5605)

Item(s) - Inspection and acceptance shall be made at source by a representative of the cognizant Contract Administration Office.

#### INSPECTION AND ACCEPTANCE (ORIGIN) (5607)

(a) Government inspection and acceptance of the supplies or services to be furnished hereunder shall be performed by the cognizant DCMA at the contractor's or subcontractor's plant located at Raytheon Company, 6380 Hollister Avenue, Goleta, CA 93117-3114. The location designated for such inspection and acceptance shall not be changed without prior written authorization of the Contracting Officer.

(b) The cognizant inspector shall be notified when supplies or services are ready for government inspection.

(c) Advance notification of the cognizant inspector X is \_\_\_ is not required at least 7 days prior to conducting contractor inspections and/or testing.

#### ACCEPTANCE VERIFICATION (5608)

## **SECTION "E" - INSPECTION AND ACCEPTANCE**

(cont.)

After delivery of supplies/services as defined in FAR 52.211-08, the Government shall accept/reject supplies/services to be provided hereunder within \_\_\_ days after receipt of supplies/services at NAVSURFWARCENDIV Crane.

**COST OF QUALITY DATA (NAVSEA) (MAY 1995) (5610)**

Cost of Quality Data: The contractor shall maintain and use quality cost data as a management element of the quality program. The specific quality cost data to be maintained and used will be determined by the contractor. These data shall, on request, be identified and made available for "on site" review by the Government representative.

**MARKING FOR SHIPMENT (5511)**

The Contractor shall mark all shipments under a resulting contract to include the following items:

Contract Number; Item Number; Lot Number (when applicable); Part Number; National Stock Number; Contractor Model Number; Serial Number; Packing Date; Attn: Code \_\_\_\_, Bldg. \_\_\_\_

**INSPECTION AND TEST RECORDS (MAY 1995) (5612)**

Inspection and Test Records: Inspection and test records shall, as a minimum, indicate the nature of the observations, number of observations made, and the number and type of deficiencies found. Data included in inspection and test records shall be complete and accurate, and shall be used for trend analysis and to assess corrective action and effectiveness.

**SECTION "F" - DELIVERIES OR PERFORMANCE****PART I**

<u>FAR Subsection</u>	<u>Title</u>	<u>Date</u>
52.211-17	Delivery of Excess Quantities	Sep 1989
52.242-15	Stop Work Order	Aug 1989
52.242-15	Stop Work Order (Aug 1989)--Alternate I	Apr 1984
52.242-17	Government Delay of Work	Apr 1984
52.247-29	F.o.b. Origin	Jun 1988
52.247-34	F.o.b. Destination	Nov 1991
52.247-36	F.A.S. Vessel, Port of Shipment	Apr 1984

52.247-37	F.o.b. Vessel, Port of Shipment	Apr 1984
52.247-38	F.o.b. Inland Carrier, Point of Exportation	Apr 1984
52.247-44	F.o.b. Designated Air Carrier's Terminal, Point of Importation	Apr 1984
52.247-48	F.o.b Destination – Evidence of Shipment	Feb 1999
52.247-55	F.o.b. Point for Delivery of Government-Furnished Property	Apr 1984

### CLAUSES IN FULL TEXT

#### ADDITIONAL SHIPPING INSTRUCTIONS FOR FMS ITEMS (NAVSEA) (SEP 1992) (5701)

(a) The Contractor shall, within sixty days prior to the first scheduled delivery date, notify the cognizant Contract Administration Office (CAO) of the point of origin, description of material, quantity, approximate gross weight and cubic measurement, number of cases, approximate date shipment is expected to be ready for movement, appropriate requisition number(s) and FMS case designator. The notification shall be accompanied by six (6) copies of priced Material Inspection and Receiving Report (MIRR) (DD Form 250) with packing lists.

(b) The CAO shall forward the above information to .

(c) Subsequent to notification as required by paragraph (b), the CAO shall:

(1) Forward four (4) copies of priced DD Form 250 with packing lists and one (1) copy of bill of lading to the Country Freight Forwarder, and

(2) Forward two (2) copies of priced DD Form 250 with packing lists and one (1) copy of bill of lading or other evidence of delivery to the office specified in paragraph (b) above.

#### BOA LANGUAGE FOR SECTION F (5702)

The Contractor shall furnish supplies or services under the items specified in Section B of the Schedule in accordance with the delivery schedule set forth in orders issued by the Contracting Officer in accordance with the special contract requirement(s) of this agreement entitled "ORDERS". Unless otherwise specified in any order, the supplies to be furnished by the Contractor shall be delivered f.o.b. carrier's equipment, wharf, or freight station, at the Government's option, at or near the Contractor's plant or at the plants of subcontractors as authorized by the Contracting Officer. The method of shipment will be specified by the cognizant contract administration office when the supplies are ready for shipment. If any order includes Foreign Military Sales (FMS) items, the FMS items shall be shipped on a separate bill of lading and Interstate Commerce Act Section 10721 rates do not apply.

#### DATA DELIVERY LANGUAGE FOR SERVICES PROCUREMENTS (5703)

All data to be furnished under this contract shall be delivered prepaid to destination(s) at the time(s) specified on the Contract Data Requirements List(s), DD Form 1423.

## **SECTION "F" - INSPECTION AND ACCEPTANCE**

(cont.)

#### DELIVERY LANGUAGE FOR F.O.B. DESTINATION (5704)

All supplies hereunder shall be delivered with all transportation charges prepaid, in accordance with the clause hereof entitled "F.O.B. DESTINATION" (FAR 52.247-34). The Contractor shall not ship directly to a military air or water port terminal without authorization by the cognizant Contract Administration Office. Except when the Material Inspection and Receiving Report (MIRR) (DD 250) is used as an invoice, the Contractor shall enter unit prices on all MIRR copies. Contract line items shall be priced using actual prices, or if not available, estimated prices. When the price is estimated, an "E" shall be entered after the price. All data to be furnished under this contract shall be delivered prepaid to destination(s) at the time(s) specified on the Contract Data Requirements List(s), DD Form 1423.

#### DELIVERY LANGUAGE FOR F.O.B. ORIGIN (5705)

All supplies hereunder shall be delivered free of expense to the Government in accordance with instructions specified in the clause hereof entitled "F.O.B. ORIGIN" (FAR 52.247-29) at or near the Contractor's plant, Raytheon Company, 6380 Hollister Avenue, Goleta, CA 93117-

3114, for shipment at Government expense (normally on Government bill(s) of lading). The Contractor shall not ship directly to a military air or water port terminal without authorization by the cognizant Contract Administration Office. If shipping instructions have not been provided within sixty (60) days prior to first scheduled delivery date, the Contractor shall submit a written request for shipping instructions to Naval Surface Warfare Center (NSWC), Contracting Officer, Code 1163, Bldg 2693, 300 Highway 361, Crane Indiana 47522-5001, fax 812-854-6931, with a copy to the cognizant Contract Administration Office.

All data to be furnished under this contract shall be delivered prepaid to destination(s) at the time(s) specified on the Contract Data Requirements List(s), DD Form 1423. FMS item(s), if any, shall be shipped on a separate bill of lading and Interstate Commerce Act Section 10721 rates do not apply.

#### PERFORMANCE LANGUAGE FOR LOE SERVICES (5706)

The Contractor shall perform the work described in SECTION C, at the level of effort specified in SECTION B, as follows:

<u>ITEM(S)</u>	<u>FROM</u>	<u>TO</u>
----------------	-------------	-----------

#### RECEIVING FACILITY SCHEDULE (5708)

The contractor shall schedule deliveries under this contract to ensure arrival at destination only on Monday through Friday (excluding holidays) between the hours of 7:00 A.M. and 2:00 P.M. Eastern Standard Time. The receiving facility for this material is closed on Saturdays and Sundays.

#### PLACE OF DELIVERY: ORIGIN (GBL) (5710)

The articles to be furnished hereunder shall be delivered in accordance with FAR 52.247-29 entitled "F.o.b. Origin", free of expense to the Government, F.o.b. carrier's equipment, wharf, or freight station located at or near Raytheon Company, 6380 Hollister Avenue, Goleta, CA 93117-3114 for shipment at Government expense, except as provided in FAR 52.247-29(c) to the following destination:

The mode of transportation, type of vehicle and exact place of delivery at or near F.o.b. origin point named above shall be specified by the Government at the time of shipment.

#### TIME OF PERFORMANCE (SERVICES) (5711)

Services to be furnished under ITEM \_\_\_\_\_ hereunder shall be performed and completed within \_\_\_\_\_ days from the effective date of the contract. The time of performance may be extended by the exercise of options via written modification to the contract as provided for elsewhere herein.

### SECTION "G" - CONTRACT ADMINISTRATION DATA

#### GENERAL PROCUREMENT INFORMATION

##### BUSINESS HOURS

Crane Division, Naval Surface Warfare Center, Crane, Indiana, allows flexible working hours for its employees. The normal eight-hour shift may be worked between the hours of 6:30 AM and 5:30 PM EST. Many of our employees work 6:30 AM to 3:00 PM as a regular practice. The core time, when all employees are scheduled to work, is 9:00 AM to 3:00 PM.

##### EXPEDITING CONTRACT CLOSEOUT (NAVSEA) (DEC 1995)

(a) As part of the negotiated fixed price or total estimated amount of this contract, both the Government and the Contractor have agreed to waive any entitlement that otherwise might accrue to either party in any residual dollar amount of \$500 or less at the time of final contract closeout. The term "residual dollar amount" shall include all money that would otherwise be owed to either part at the end of the contract except that, amounts connected in any way with taxation, allegations of fraud and/or antitrust violations shall be excluded. For purposes

of determining residual dollar amounts, offsets of money owed by one party against money that would otherwise be paid by that party may be considered to the extent permitted by law.

(b) This agreement to waive entitlement to residual dollar amounts has been considered by both parties. It is agreed that the administrative costs for either part associated with collected such small dollar amounts could exceed the amount to be recovered.

## PART I

### CLAUSES IN FULL TEXT

#### Submission Of Invoices (Fixed Price) (NAPS 5252.232-9000) (JUL 1992)

(a) "Invoice" as used in this clause does not include contractor requests for progress payments.

(b) The contractor shall submit original invoices with copies to the address identified in the-solicitation/-contract award form (SF 26-Block 10; SF 33-Block 23; SF 1447-Block 14), unless delivery orders are applicable, in which case invoices will be segregated by individual order and submitted to the address specified in the order (DD 1155-Block 13 or SF 26-Block 10).

(c) The use of copies of the Material Inspection and Receiving Report (MIRR), DD Form 250, as an invoice is encouraged. DFARS Appendix F-306 provides instructions for such use. Copies of the MIRR used as an invoice are in addition to the standard distribution stated in DFARS F-401.

(d) In addition to the requirements of the Prompt Payment clause of this contract, the contractor shall cite on each invoice the contract line item number (CLIN); the contract subline item number (SLIN), if applicable; the accounting classification reference number (ACRN) as identified on the financial accounting data sheets, and the payment terms.

(e) The contractor shall prepare:

- \* a separate invoice for each activity designated to receive the supplies or services.
- \* a consolidated invoice covering all shipments delivered under an individual order.
- \* either of the above.

(f) If acceptance is at origin, the contractor shall submit the MIRR or other acceptance verification directly to the designated payment office. If acceptance is at destination, the consignee will forward acceptance verification to the designated payment office.

\* Check applicable procedure.

#### SUBMISSION OF INVOICES (COST-REIMBURSEMENT, TIME-AND-MATERIALS, LABOR-HOUR, OR FIXED PRICE INCENTIVE) (JUL 1992) (NAPS 5252.232-9001)

(a) "Invoice" as used in this clause includes contractor requests for interim payments using public vouchers (SF 1034) but does not include contractor requests for progress payments under fixed price incentive contracts.

(b) The Contractor shall submit invoices and any necessary supporting documentation, in an original and four copies, to the contract auditor\* at the following address:

### **SECTION "G" - CONTRACT ADMINISTRATION DATA (cont.)**

\_\_\_\_\_ unless delivery orders are applicable, in which case invoices will be segregated by individual order and submitted to the address specified in the order. In addition, an information copy shall be submitted to \_\_\_\_\_. Following verification, the contract auditor\* will forward the invoice to the designated payment office for payment in the amount determined to be owing, in accordance with the applicable payment (and fee) clause(s) of this contract.

(c) Invoices requesting interim payments shall be submitted no more than once every two weeks, unless another time period is specified in the Payments clause of this contract. For indefinite delivery type contracts, interim payment invoices shall be submitted no more than once every two weeks for each delivery order. There shall be a lapse of no more than \_\_ calendar days between performance and submission of an interim payment invoice.

(d) In addition to the information identified in the Prompt Payment clause herein, each invoice shall contain the following information, as applicable:

- (1) Contract line item number (CLIN)
- (2) Subline item number (SLIN)
- (3) Accounting Classification Reference Number (ACRN)
- (4) Payment terms

- (5) Procuring activity
- (6) Date supplies provided or services performed
- (7) Costs incurred and allowable under the contract
- (8) Vessel (e.g., ship, submarine or other craft) or system for which supply/service is provided
- (e) A DD Form 250, "Material Inspection and Receiving Report",
  - \*\* is required with each invoice submittal.
  - \*\* is required only with the final invoice.
  - \*\* is not required.
- (f) A Certificate of Performance
  - \*\* shall be provided with each invoice submittal.
  - \*\* is not required.
- (g) The Contractor's final invoice shall be identified as such, and shall list all other invoices (if any) previously tendered under this contract.
- (h) Costs of performance shall be segregated, accumulated and invoiced to the appropriate ACRN categories to the extent possible. When such segregation of costs by ACRN is not possible for invoices submitted with CLINS/SLINS with more than one ACRN, an allocation ratio shall be established in the same ratio as the obligations cited in the accounting data so that costs are allocated on a proportional basis.

- \* In contracts with the Canadian Commercial Corporation, substitute "Administrative Contracting Officer" for "contract auditor"
- \*\* Check appropriate requirements.

#### CONTRACT ADMINISTRATION DATA LANGUAGE

- (a) Enter below the Contractor's address for receipt of payment if such address is different from the address shown on the SF 26 or SF 33, as applicable.
- (b) Enter below the address (street and number, city, county, state and zip code) of the Contractor's facility which will administer the contract if such address is different from the address shown on the SF 26 or SF 33, as applicable.

#### PURCHASING OFFICE REPRESENTATIVE LANGUAGE

PURCHASING OFFICE REPRESENTATIVE:      COMMANDER  
 ATTN: CODE 1163WP BLDG 2693  
 NAVAL SURFACE WARFARE CENTER  
 CRANE DIVISION  
 CRANE IN 47522-5011  
 Telephone No. 812-854-3711

### SECTION "G" - CONTRACT ADMINISTRATION DATA (cont.)

#### BOA LANGUAGE FOR SECTION G (5801)

Contract administration shall be as set forth in orders issued by the Contracting Officer in accordance with the special contract requirement(s) of this agreement entitled "ORDERS".

#### CONTRACT ADMINISTRATION DATA LANGUAGE (5802)

Enter below the address (street and number, city, county, state and zip code) of the Contractor's facility which will administer the contract if such address is different from the address shown on the SF26 or SF33 as applicable.

## TRANSPORTATION ALLOTMENT CODE (TAC) (5805)

Transportation is chargeable to: NAVY TAC \_\_\_\_\_

## EXPEDITING CONTRACT CLOSEOUT (NAVSEA) (DEC 1995)

(a) As part of the negotiated fixed price or total estimated amount of this contract, both the Government and the Contractor have agreed to waive any entitlement that otherwise might accrue to either party in any residual dollar amount of \$500 or less at the time of final contract closeout. The term "residual dollar amount" shall include all money that would otherwise be owed to either part at the end of the contract except that, amounts connected in any way with taxation, allegations of fraud and/or antitrust violations shall be excluded. For purposes of determining residual dollar amounts, offsets of money owed by one party against money that would otherwise be paid by that party may be considered to the extent permitted by law.

(b) This agreement to waive entitlement to residual dollar amounts has been considered by both parties. It is agreed that the administrative costs for either part associated with collected such small dollar amounts could exceed the amount to be recovered.

**SECTION "H" - SPECIAL CONTRACT REQUIREMENTS**

## ADDITIONAL DEFINITIONS (MAY 1993) (NAVSEA 5252.202-9101)

As used throughout this contract, the following terms shall have the meanings set forth below:

- (a) DEPARTMENT - means the Department of the Navy.
- (b) REFERENCES TO THE FEDERAL ACQUISITION REGULATION (FAR) - All references to the FAR in this contract shall be deemed to also reference the appropriate sections of the Defense FAR Supplement (DFARS), unless clearly indicated otherwise.
- (c) REFERENCES TO ARMED SERVICES PROCUREMENT REGULATION OR DEFENSE ACQUISITION REGULATION - All references in this document to either the Armed Services Procurement Regulation (ASPR) or the Defense Acquisition Regulation (DAR) shall be deemed to be references to the appropriate sections of the FAR/DFARS.
- (d) NATIONAL STOCK NUMBERS - Whenever the term Federal Item Identification Number and its acronym FIIN or the term Federal Stock Number and its acronym FSN appear in the contract, order or their cited specifications and standards, the terms and acronyms shall be interpreted as National Item Identification Number (NIIN) and National Stock Number (NSN) respectively which shall be defined as follows:

(1) National Item Identification Number (NIIN). The number assigned to each approved Item Identification under the Federal Cataloging Program. It consists of nine numeric characters, the first two of which are the National Codification Bureau (NCB) Code. The remaining positions consist of a seven digit non-significant number.

(2) National Stock Number (NSN). The National Stock Number (NSN) for an item of supply consists of the applicable four position Federal Supply Class (FSC) plus the applicable nine position NIIN assigned to the item of supply.

## NAVSEA 5252.216-9110 ORDERS (FIXED-PRICE) (OCT 2000)

(a) General. Orders for supplies or services specified in Section B of the Schedule may be issued by the Contracting Officer at any time during the effective period of this agreement. Except as otherwise provided in paragraph (e) below, the Contractor agrees to accept and perform orders issued by the Contracting Officer within the scope of this agreement. It is understood and agreed that the Government has no obligation under the terms of this agreement to issue any orders. Except as otherwise provided in any order, the Contractor shall furnish all materials and services necessary to accomplish the work specified in each order issued hereunder; provided, however, that this agreement shall not be used for the furnishing of supplies or services which are covered by any "guaranty" or "warranty" clause(s) of the contract(s) under which the supplies were

manufactured. In the event of any inconsistency between any order and this agreement, this agreement shall control. All requirements of this agreement shall be applicable to all orders issued hereunder. Wherever the word "contract" appears in this agreement, it shall be deemed to include within its meaning the word "order", and each order shall be considered a separate binding contract as of its effective date. The Contractor shall segregate the costs incurred in the performance of any order issued hereunder from the costs of all other orders issued under this agreement.

(b) Ordering. Orders and revisions thereto shall be made in writing and be signed by any authorized Contracting Officer cited in paragraph (i). Each order shall:

- (1) set forth detailed specifications or requirements for the supplies or services being ordered, (or reference applicable specifications or requirements in Section C of this agreement), and, shall refer to the appropriate item under Section B of this agreement;
  - (2) set forth quantities being ordered;
  - (3) set forth preservation, packaging and packing instructions, if any;
  - (4) set forth delivery or performance dates;
  - (5) designate the place(s) where inspection and acceptance will be made by the Government;
  - (6) set forth either the firm contract price or, in the case of an undefinitized order, the definitization schedule and both the monetary limitation on Government liability for the undefinitized order and the maximum ceiling amount at which the order may be definitized;
  - (7) set forth appropriation and accounting data for the work being ordered;
  - (8) set forth any discount offered for prompt payment;
  - (9) be dated;
  - (10) be identified by number in accordance with DFARS 204.7004;
  - (11) set forth the property, if any, to be furnished by the Government and the date(s) such property is to be delivered to the Contractor;
  - (12) set forth the disbursing office where payment is to be made and other applicable contract administration data;
  - (13) cite the applicable circumstance or exception and the justification control number.
- Orders for items not identified in the class justification, or an individual justification, and the basic ordering agreement are unauthorized;
- (14) be issued on an SF 26 or a DD Form 1155; and
  - (15) set forth any other pertinent information.

(c) Firm Priced Orders. Except as otherwise provided in paragraph (d) below, the Contractor shall not begin any work on an order until a firm priced order is issued by the Contracting Officer. Upon receipt of a proposed order, the Contractor shall promptly submit to the Contracting Officer a price proposal for the work specified in the order. The Contractor agrees that it will submit such cost or pricing data as the Contracting Officer may require. Promptly after receipt of the Contractor's proposal and supporting cost or pricing data, the Contractor and the Contracting Officer shall negotiate and agree upon a price and delivery schedule for the work being ordered. The price and delivery schedule, as agreed upon, shall be set forth in the priced order and the order shall be signed by both the Contracting Officer and the Contractor. Upon receipt of the priced order, the Contractor shall promptly commence work and shall diligently complete it.

(d) Undefinitized Orders. Whenever the Contracting Officer determines that urgent demands or requirements prevent the issuance of a firm priced order, the Contracting Officer may issue an unpriced order. Such order may be unilateral or bilateral and shall establish a limitation on Government liability, a maximum ceiling amount and a schedule for definitization, as described in subparagraph (f)(2) below. Upon request, the Contractor shall submit a maximum ceiling amount proposal before the undefinitized order is issued. The maximum ceiling amount is the maximum price at which the order may be definitized. Except as provided in paragraph (e) below, the Contractor shall commence performance of the order upon receipt. The clause entitled "CONTRACT DEFINITIZATION" (DFARS 252.217-7027) shall be included in any undefinitized order.

(e) Rejection of Unilateral Orders. The Contractor may reject any unilateral order if the Contractor determines it cannot feasibly perform the order, or if it does not concur with the maximum ceiling amount. However, each unilateral order shall be deemed to have been accepted by the Contractor unless within fifteen (15) days of issuance of the order the Contractor notifies the Contracting Officer in writing of its rejection of the order.

(f) Definitization of Undefinitized Orders. (1) The Contractor agrees that following the issuance of an undefinitized order, it will promptly begin negotiating with the Contracting Officer the price and terms of a definitive order that will include: (A) all clauses required by regulation on the date of the order; (B) all clauses required by law on the date of execution of the definitive order; and, (C) other mutually agreeable clauses, terms and/or conditions. No later than sixty (60) days after the undefinitized order is issued, the Contractor shall submit a cost proposal with sufficient data to support the accuracy and derivation of its price; and, when required by FAR or the Contracting Officer, cost or pricing data. If additional cost information is available prior to the conclusion of negotiations, the Contractor shall provide that information to the Contracting Officer. The price agreed upon shall be set forth in a bilateral modification to the order. In no event shall the price exceed the maximum ceiling amount specified in the undefinitized order.

- (2) Each undefinitized order shall contain a schedule for definitization which shall include a target date for definitization and dates for



submission of a qualifying proposal, beginning of negotiations and, if appropriate, submission of make-or-buy and subcontracting plans and cost or pricing data. Submission of a qualifying proposal in accordance with the definitization schedule is a material element of the order. The schedule shall provide for definitization of the order by the earlier of:

- (i) specified target date which is not more than 180 days after the issuance of the undefinitized order. However, that target date may be extended by the Contracting Officer for up to 180 days after the Contractor submits a qualifying proposal as defined in DFARS 217.7401; or
- (ii) the date on which the amount of funds obligated by the Government under the undefinitized order exceeds fifty percent (50%) of the order's maximum ceiling amount, except as provided in subparagraph (f)(3) below.

(3) If agreement on a definitive order is not reached within the time provided pursuant to subparagraph (f)(2) above, the Contracting Officer may, with the approval of the Head of the Contracting Activity, determine a reasonable price in accordance with Subpart 15.4 and Part 31 of the FAR, and issue a unilateral order subject to Contractor appeal as provided in the "DISPUTES" clause (FAR 52.233-1). In any event, the Contractor shall proceed with completion of the order, subject to the "LIMITATION OF GOVERNMENT LIABILITY" clause (FAR 52.216-24).

(g) Limitation of Government Liability. (1) Each undefinitized order shall set forth the limitation of Government liability, which shall be the maximum amount that the Government will be obligated to pay the Contractor for performance of the order until the order is definitized. The Contractor is not authorized to make expenditures or incur obligations exceeding the limitation of Government liability set forth in the order. If such expenditures are made, or if such obligations are incurred, those expenditures and obligations will be at the Contractor's sole risk and expense. Further, the limitation of liability shall be the maximum Government liability if the order is terminated. The clause at FAR 52.216-24 shall be included in any undefinitized order.

(2) Except for undefinitized orders for Foreign Military Sales; purchases of less than \$25,000; special access programs; and Congressionally-mandated long lead procurements; and except as otherwise provided in subparagraph (g)(3) below, the limitation of Government liability shall not exceed fifty percent

#### **ORDERS (COST-PLUS-FIXED-FEE) 5252.216-9112 (JUN 2000)**

(a) General. Orders for supplies or services specified in Section B of the Schedule may be issued by the Contracting Officer at any time during the effective period of this agreement. Except as otherwise provided in paragraph (e) of this clause, the Contractor agrees to accept and perform orders issued by the Contracting Officer within the scope of this agreement. It is understood and agreed that the Government has no obligation under the terms of this agreement to issue any orders. Except as otherwise provided in any order, the Contractor shall furnish all materials and services necessary to accomplish the work specified in each order issued hereunder; provided, however, that this agreement shall not be used for the furnishing of supplies or services which are covered by any "guaranty" or "warranty" clause(s) of the contract(s) under which the supplies were manufactured. In the event of any inconsistency between any order and this agreement, this agreement shall control. All the requirements of this agreement shall be applicable to all orders issued hereunder. Wherever the word "contract" appears in this agreement, it shall be deemed to include within its meaning the word "order", and each order shall be considered a separate binding contract as of its effective date. The Contractor shall segregate the costs incurred in the performance of any order issued hereunder from the costs of all other orders issued under this agreement.

(b) Ordering. Orders and revisions thereto shall be made in writing and be signed by any authorized Contracting Officer cited in paragraph (i). Each order shall:

- (1) set forth detailed specifications or requirements for the supplies or services being ordered, (or reference applicable specifications or requirements in Section C of this agreement), and, if applicable, shall refer to the appropriate item under Section B of this agreement;
- (2) set forth quantities being ordered;
- (3) set forth preservation, packaging and packing instructions, if any;
- (4) set forth delivery or performance dates;
- (5) designate the place(s) where inspection and acceptance will be made by the Government;
- (6) set forth the estimated cost and fixed fee or, in the case of an undefinitized order, the definitization schedule and both the monetary limitation on Government liability for the undefinitized order and the maximum ceiling amount at which the order may be definitized;
- (7) set forth appropriation and accounting data for the work being ordered;
- (8) be dated;
- (9) be identified by number in accordance with DFARS 204.7004;
- (10) set forth the property, if any, to be furnished by the Government and the date(s) such property is to be delivered to the Contractor;
- (11) set forth the disbursing office where payment is to be made and other applicable contract administration data;

(12) cite the applicable circumstance or exception and the justification control number.

Orders for items not identified in the class justification, or an individual justification and the basic ordering agreement are unauthorized;

(13) be issued on an SF 26 or DD Form 1155; and

(14) set forth any other pertinent information.

(c) Priced Orders. Except as otherwise provided in paragraph (d) below, the Contractor shall not begin any work on an order until the estimated cost and fixed fee for the order have been agreed upon by the Contracting Officer and Contractor and an order is issued by the Contracting Officer. Upon receipt of a proposed order, the Contractor shall promptly submit to the Contracting Officer a cost proposal for the work specified in the order. The Contractor shall submit such cost or pricing data as the Contracting Officer may require. Promptly after receipt of the Contractor's proposal and supporting cost or pricing data, the Contractor and the Contracting Officer shall negotiate and agree upon the estimated cost, fixed fee, and delivery schedule for the work being ordered. The estimated cost, fixed fee, and delivery schedule, as agreed upon, shall be set forth in the priced order and the order shall be signed by both the Contracting Officer and the Contractor. Upon receipt of the priced order, the Contractor shall promptly commence work and shall diligently complete it.

(d) Unpriced Orders. Whenever the Contracting Officer determines that urgent demands or requirements prevent the issuance of a priced order, the Contracting Officer may issue an unpriced order. Such order may be unilateral or bilateral and shall establish a limitation on Government liability, a maximum ceiling amount, and a schedule for definitization of the order, as described in subparagraph (f)(2) below. Upon request, the Contractor shall submit a maximum ceiling amount proposal before the undefinitized order is issued. The maximum ceiling amount is the maximum amount (including fee) at which the order may be definitized. Except as provided in paragraph (e) below, the Contractor shall commence performance of the order upon receipt. The clause entitled "CONTRACT DEFINITIZATION" (DFARS 252.217-7027) shall be included in any undefinitized order.

(e) Rejection of Unilateral Orders. The Contractor may reject any unilateral order if the Contractor determines that it cannot feasibly perform the order or if it does not concur with the maximum ceiling amount. However, each unilateral order shall be deemed to have been accepted by the Contractor unless within fifteen (15) days of issuance of the order the Contractor notifies the Contracting Officer in writing of its rejection of the order.

(f) Definitization of Unpriced Orders. (1) The Contractor agrees that following the issuance of an undefinitized order, it will promptly begin negotiating with the Contracting Officer the CPFF and terms of a definitive order that will include: (A) all clauses required by regulation on the date of the order; (B) all clauses required by law on the date of execution of the definitive order; and, (C) other mutually agreeable clauses, terms and/or conditions. No later than sixty (60) days after the undefinitized order is issued, the Contractor shall submit a cost proposal with sufficient data to support the accuracy and derivation of its CPFF proposal; and, when required by FAR or the Contracting Officer, cost or pricing data. If additional cost information is available prior to the conclusion of negotiations, the Contractor shall provide that information to the Contracting Officer. The CPFF agreed upon shall be set forth in a bilateral modification to the order. In no event shall the CPFF exceed the maximum ceiling amount specified in the undefinitized order.

(2) Each undefinitized order shall contain a schedule for definitization which shall include a target date for definitization and dates for submission of a qualifying proposal, beginning of negotiations and, if appropriate, submission of make-or-buy and subcontracting plans and cost or pricing data. Submission of a qualifying proposal in accordance with the definitization schedule is a material element of the order. The schedule shall provide for definitization of the order by the earlier of:

(i) a specified target date which is not more than 180 days after the issuance of the undefinitized order. However, that target date may be extended by the Contracting Officer for up to 180 days after the Contractor submits a qualifying proposal as defined in DFARS 217.7401; or

(ii) the date on which the amount of funds obligated by the Government under the undefinitized order exceeds fifty percent (50%) of the order's maximum ceiling amount, except as provided in subparagraph (f)(3) below.

(3) If agreement on a definitive order is not reached within the time provided pursuant to subparagraph (f)(2) above, the Contracting Officer may, with the approval of the Head of the Contracting Activity, determine a reasonable CPFF in accordance with Subpart 15.4 and Part 31 of the FAR, and issue a unilateral order subject to Contractor appeal as provided in the "DISPUTES" clause (FAR 52.233-1). In any event, the Contractor shall proceed with completion of the order, subject to the "LIMITATION OF GOVERNMENT LIABILITY" clause (FAR 52.216-24).

(g) Limitation of Government Liability. (1) Each undefinitized order shall set forth the limitation of Government liability, which shall be the maximum amount that the Government will be obligated to pay the Contractor for performance of the order until the order is definitized. The Contractor is not authorized to make expenditures or incur obligations exceeding the limitation of Government liability set forth in the order. If such expenditures are made or if such obligations are incurred, those expenditures and obligations will be at the Contractor's sole risk and expense. Further, the limitation of liability shall be the maximum Government liability if the order is terminated. The clause at FAR 52.216-24 shall be included in any undefinitized order.

(2) Except for undefinitized orders for Foreign Military Sales; purchases of less than \$25,000; special access programs; and Congressionally-mandated long-lead procurements; and except as otherwise provided in subparagraph (g)(3) below, the limitation of Government liability shall not exceed fifty percent (50%) of the maximum ceiling amount of an undefinitized order. In the case of orders within these excepted categories, however, the procedures set forth herein shall be followed to the maximum extent practical.

(3) If the Contractor submits a qualifying proposal, as defined in DFARS 217.7401 to definitize an order before the Government obligated fifty

percent (50%) of the maximum ceiling amount, the Contracting Officer may increase the limitation of Government Liability up to no more than seventy-five percent (75%) of the maximum ceiling amount or up to seventy-five percent (75%) of the total CPFF proposed by the Contractor, whichever is less.

(4) If at any time the Contractor believes that its expenditure under an order will exceed the limitation of Government liability, the Contractor shall so notify the Contracting Officer, in writing, and propose an appropriate increase in the limitation of Government liability of such order. Within thirty (30) days of such notice, the Contracting Officer will either (i) notify the Contractor in writing of such appropriate increase, or (ii) instruct the Contractor how and to what extent the work shall be continued; provided, however, that in no event shall the Contractor be obligated to proceed with work on an undefinitized order beyond the point where its costs incurred plus a reasonable profit exceed the limitation of Government liability, and provided also that in no event shall the Government be obligated to pay the Contractor any amount in excess of the limitation of Government liability specified in any such order prior to definitization.

(h) Initial Spares. The limitations set forth in paragraph (d) and subparagraphs (f)(2), (g)(2) and (g)(3) do not apply to undefinitized orders for the purchase of initial spares.

(i) Ordering Activities. The following activities are authorized to issue orders hereunder: The Contracting Officer of the Ordering Activity shall forward a copy of each executed order marked "DD-350", to the Commander, Naval Sea Systems Command, ATTN: SEA 0293.

(j) Funds in the following amount are committed under this Basic Ordering Agreement for use by the Ordering Activity in obligating funds to pay for orders placed hereunder:

<u>Item</u>	<u>Funds</u>
-------------	--------------

(End of Text)

ALLOTMENT OF FUNDS (MAY 1993) (NAVSEA 5252.232-9104)

(a) This contract is incrementally funded with respect to both cost and fee. The amount(s) presently available and allotted to this contract for payment of fee for incrementally funded contract line item number/contract subline item number (CLIN/SLIN), subject to the clause entitled "FIXED FEE" (FAR 52.216-8) or "INCENTIVE FEE" (FAR 52.216-10), as appropriate, is specified below. The amount(s) presently available and allotted to this contract for payment of cost for incrementally funded CLINs/SLINs is set forth below. As provided in the clause of this contract entitled "LIMITATION OF FUNDS" (FAR 52.232-22), the CLINs/SLINs covered thereby, and the period of performance for which it is estimated the allotted amount(s) will cover are as follows:

<u>ITEM(S)</u>	<u>ALLOTED TO COST</u>	<u>ALLOTED TO FEE</u>	<u>ESTIMATED PERIOD OF PERFORMANCE</u>
	\$	\$	

(b) The parties contemplate that the Government will allot additional amounts to this contract from time to time for the incrementally funded CLINs/SLINs by unilateral contract modification, and any such modification shall state separately the amount(s) allotted for cost, the amount(s) allotted for fee, the CLINs/SLINs covered thereby, and the period of performance which the amount(s) are expected to cover.

(c) CLINs/SLINs are fully funded and performance under these CLINs/SLINs is subject to the clause of this contract entitled "LIMITATION OF COST" (FAR 52.232-20) or "LIMITATION OF COST (FACILITIES)" (FAR 52.232-21), as applicable.

(d) The Contractor shall segregate costs for the performance of incrementally funded CLINs/SLINs from the costs of performance of fully funded CLINs/SLINs.

GOVERNMENT-FURNISHED PROPERTY (PERFORMANCE) (SEP 1990) (NAVSEA 5252.245-9108)

The Government will provide only that property set forth below, notwithstanding any term or condition of this contract to the contrary. Upon Contractor's written request to the cognizant Technical Program Manager, via the cognizant Contract Administration Office, the Government will furnish the following for use in the performance of this contract:

GOVERNMENT-FURNISHED PROPERTY (INCORPORATION) (SEP 1990)(NAVSEA 5252.245-9109)

The Government will provide only that property set forth below, notwithstanding any term or condition of this contract to the contrary. Upon Contractor's written request to the cognizant Technical Program Manager, via the cognizant Contract Administration Office, the Government

will furnish the following for incorporation in the equipment to be delivered under Item(s) of this contract:

GOVERNMENT-INDUSTRY DATA EXCHANGE PROGRAM (AUG 1997) (NAVSEA 5252.227-9113)

- (a) The Contractor shall participate in the appropriate interchange of the Government-Industry Data Exchange Program (GIDEP) in accordance with NAVSEA S0300-BU-GYD-010 dated November 1994. Data entered is retained by the program and provided to qualified participants. Compliance with this requirement shall not relieve the Contractor from complying with any other requirement of the contract.
- (b) The Contractor agrees to insert paragraph (a) of this requirement in any subcontract hereunder exceeding \$500,000.00. When so inserted, the word "Contractor" shall be changed to "Subcontractor".
- (c) GIDEP materials, software and information are available without charge from:

GIDEP Operations Center  
P.O. Box 8000  
Corona, CA 91718-8000

Phone: (909) 273-4677 or DSN 933-4677  
FAX: (909) 273-5200  
Internet: <http://www.gidep.corona.navy.mil>

NAVSEA 5252.216-9122 LEVEL OF EFFORT (JUL 1986)

- (a) The Contractor agrees to provide the total level of effort specified in the next sentence in performance of the work described in Sections B and C of this contract. The total level of effort for the performance of this contract shall be total man-hours of direct labor, including subcontractor direct labor for those subcontractors specifically identified in the Contractor's proposal as having hours included in the proposed level of effort.
- (b) Of the total man-hours of direct labor set forth above, it is estimated that (Offeror to fill-in) man-hours are uncompensated effort. Uncompensated effort is defined as hours provided by personnel in excess of 40 hours per week without additional compensation for such excess work. All other effort is defined as compensated effort. If no effort is indicated in the first sentence of this paragraph, uncompensated effort performed by the Contractor shall not be counted in fulfillment of the level of effort obligations under this contract.
- (c) Effort performed in fulfilling the total level of effort obligations specified above shall only include effort performed in direct support of this contract and shall not include time and effort expended on such things as (local travel to and from an employee's usual work location), uncompensated effort while on travel status, truncated lunch periods, work (actual or inferred) at an employee's residence or other non-work locations, or other time and effort which does not have a specific and direct contribution to the tasks described in Sections B and C.
- (d) The level of effort for this contract shall be expended at an average rate of approximately hours per week. It is understood and agreed that the rate of man-hours per month may fluctuate in pursuit of the technical objective, provided such fluctuation does not result in the use of the total man-hours of effort prior to the expiration of the term hereof, except as provided in the following paragraph.
- (f) If, during the term hereof, the Contractor finds it necessary to accelerate the expenditure of direct labor to such an extent that the total man-hours of effort specified above would be used prior to the expiration of the term, the Contractor shall notify the Contracting Officer in writing setting forth the acceleration required, the probable benefits which would result, and an offer to undertake the acceleration at no increase in the estimated cost or fee together with an offer, setting forth a proposed level of effort, cost breakdown, and proposed fee, for continuation of the work until expiration of the term hereof. The offer shall provide that the work proposed will be subject to the terms and conditions of this contract and any additions or changes required by then current law, regulations, or directives, and that the offer, with a written notice of acceptance by the Contracting Officer, shall constitute a binding contract. The Contractor shall not accelerate any effort until receipt of such written approval by the Contracting Officer. Any agreement to accelerate will be formalized by contract modification.
- (f) The Contracting Officer may, by written order, direct the Contractor to accelerate the expenditure of direct labor such that the total man-hours of effort specified in paragraph (a) above would be used prior to the expiration of the term. This order shall specify the acceleration required and the resulting revised term. The Contractor shall acknowledge this order within five days of receipt.
- (g) If the total level of effort specified in paragraph (a) above is not provided by the Contractor during the period of this contract, the Contracting Officer, at its sole discretion, shall either (i) reduce the fee of this contract as follows:

$$\text{Fee Reduction} = \text{Fee (Required LOE - Expended LOE)}$$

- or (ii) subject to the provisions of the clause of this contract entitled "LIMITATION OF COST" (FAR 52.232-20) or "LIMITATION OF COST (FACILITIES)" (FAR 52.232-21), as applicable, require the Contractor to continue to perform the work until the total number of man-hours of direct labor specified in paragraph (a) above shall have been expended, at no increase in the fee of this contract.
- (h) The Contractor shall provide and maintain an accounting system, acceptable to the Administrative Contracting Officer and the Defense

Contract Audit Agency (DCAA), which collects costs incurred and effort (compensated and uncompensated, if any) provided in fulfillment of the level of effort obligations of this contract. The Contractor shall indicate on each invoice the total level of effort claimed during the period covered by the invoice, separately identifying compensated effort and uncompensated effort, if any.

(i) Within 45 days after completion of the work under each separately identified period of performance hereunder, the Contractor shall submit the following information in writing to the Contracting Officer with copies to the cognizant Contract Administration Office and to the DCAA office to which vouchers are submitted: (1) the total number of man-hours of direct labor expended during the applicable period; (2) a breakdown of this total showing the number of man-hours expended in each direct labor classification and associated direct and indirect costs; (3) a breakdown of other costs incurred; and (4) the Contractor's estimate of the total allowable cost incurred under the contract for the period. Within 45 days after completion of the work under the contract, the Contractor shall submit, in addition, in the case of a cost underrun; (5) the amount by which the estimated cost of this contract may be reduced to recover excess funds and, in the case of an underrun in hours specified as the total level of effort; and (6) a calculation of the appropriate fee reduction in accordance with this clause. All submissions shall include subcontractor information.

(j) Notwithstanding any of the provisions in the above paragraphs, the Contractor may furnish man-hours up to five percent in excess of the total man-hours specified in paragraph (a) above, provided that the additional effort is furnished within the term hereof, and provided further that no increase in the estimated cost or fee is required.

#### MODIFICATION AND TERMINATION (BOA) (SEP 1990) (NAVSEA 5252.249-9106)

This agreement shall be reviewed at least annually and revised, on or before the anniversary of its effective date, to conform with all requirements of statutes, Executive Orders, or regulations. Termination, expiration or modification of this agreement shall not affect any orders issued under this agreement prior to such termination, expiration or modification.

## SECTION "I" - CONTRACT CLAUSES

PART I

<u>FAR Subsection</u>	<u>Title</u>	<u>Date</u>
52.202-01	Definitions	Oct 1995
52.203-03	Gratuities	Apr 1984
52.203-05	Covenant Against Contingent Fees	Apr 1984
52.203-06	Restrictions on Subcontractor Sales to the Government	Jul 1995
52.203-07	Anti-Kickback Procedures	Jul 1995
52.203-08	Cancellation, Rescission, and Recovery of Funds for illegal or Improper Activity	Jan 1997
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	Jan 1997
52.203-12	Limitation on Payments to Influence Certain Federal Transactions	Jun 1997
52.204-04	Printing/Copying Double-Sided on Recycled Paper	Aug 2000
52.209-06	Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Debarment	Jul 1995
52.211-05	Material Requirements	Aug 2000
52.211-15	Defense Priority and Allocation Requirements	Sep 1990
52.215-02	Audit and Records Negotiation	Jun 1999
52.215-08	Order of Precedence-Uniform Contract Format	Oct 1997
52.215-10	Price Reduction for Defective Cost or Pricing Data	Oct 1997
52.215-12	Subcontractor Cost or Pricing Data	Oct 1997
52.215-14	Integrity of Unit Prices (Oct 1997)--Alt I	Oct 1997
52.215-15	Pension Adjustments and Asset Reversions	Dec 1998
52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions	Oct 1997
52.215-19	Notification of Ownership Changes	Oct 1997
52.216-07	Allowable Cost and Payment	Apr 1998
52.216-08	Fixed Fee	Mar 1997
52.216-26	Payments of Allowable Cost Before Definitization	Mar 2000
52.219-08	Utilization of Small Business Concerns	Oct 2000
52.219-09	Small Business Subcontracting Plan	Oct 2000
52.219-16	Liquidated Damages -- Subcontracting Plan	Jan 1999
52.222-03	Convict Labor	Aug 1996
52.222-20	Walsh-Healey Public Contracts Act	Dec 1996
52.222-21	Prohibition of Segregated Facilities	Feb 1999
52.222-26	Equal Opportunity	Feb 1999
52.222-35	Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era	Apr 1998
52.222-36	Affirmative Action for Workers with Disabilities	Jun 1998
52.222-37	Employment Reports on Disabled Veterans and Veterans of the Vietnam Era	Jan 1999
52.222-41	Service Contract Act	May 1989
52.222-44	Fair Labor Standards Act and Services Contract Act - Price Adjustment	May 1989
52.223-06	Drug-Free Workplace	Jan 1997
52.223-14	Toxic Chemical Release Reporting	Oct 2000
52.225-13	Restrictions on Certain Foreign Purchases	Jul 2000
52.226-01	Utilization of Indian Organizations and Indian-Owned Economic Enterprises	Jun 2000
52.227-01	Authorization and Consent	Jul 1995
52.227-02	Notice and Assistance Regarding Patent and Copyright Infringement	Aug 1996
52.228-07	Insurance-- Liability to Third Persons	Mar 1996
52.229-04	Federal, State, and Local Taxes (Noncompetitive Contract)	Jan 1991
52.229-05	Taxes-- Contracts performed in U.S. Possessions or Puerto Rico	Apr 1984
52.230-02	Cost Accounting Standards	Apr 1998
52.230-03	Disclosure and Consistency of Cost Accounting Practices	Apr 1998
52.230-06	Administration of Cost Accounting Standards	Apr 1996

52.232-01	Payments	Apr 1984
52.232-07	Payments Under Time-and-Materials and Labor-Hour Contracts	Mar 2000
52.232-08	Discounts for Prompt Payment	May 1997
52.232-11	Extras	Apr 1984
52.232-16	Progress Payments	Mar 2000
52.232-17	Interest	Jun 1996
52.232-20	Limitation of Cost	Apr 1984
52.232-22	Limitation of Funds	Apr 1984
52.232-23	Assignment of Claims - Alternate I (Apr 1984)	Jan 1986
52.232-25	Prompt Payment	Jun 1997
52.232-33	Payment by Electronic Funds Transfer--Central Contractor Registration	May 1999
52.233-01	Disputes	Dec 1998
52.233-01	Disputes (Dec 1998)--Alternate I	Dec 1991
52.233-03	Protest After Award	Aug 1996
52.233-03	Protest After Award (Aug 1996)--Alternate I	Jun 1985
52.237-10	Identification of Uncompensated Overtime	Oct 1997
52.242-01	Notice of Intent to Disallow Costs	Apr 1984
52.242-02	Production Progress Reports	Apr 1991
52.242-03	Penalties for Unallowable Costs	Oct 1995
52.242-04	Certification of Indirect Costs	Jan 1997
52.242-10	F.o.b. Origin-- Government Bills of Lading or Prepaid Postage	Apr 1984
52.242-13	Bankruptcy	Jul 1995
52.243-01	Changes-- Fixed-Price	Aug 1987
52.243-01	Changes--Fixed Price (Aug 1987)-- Alternate I	Apr 1984
52.243-01	Changes--Fixed Price (Aug 1987)-- Alternate II	Apr 1984
52.243-02	Changes-- Cost-Reimbursement	Aug 1987
52.243-02	Changes-- Cost-Reimbursement (Aug 1987) Alternate I	Apr 1984
52.243-02	Changes-- Cost-Reimbursement (Aug 1987) Alternate II	Apr 1984
52.243-03	Changes-- Time-and-Materials or Labor Hours	Aug 1987
52.243-06	Change Order Accounting	Apr 1984
52.243-07	Notification of Changes	Apr 1984
52.244-02	Subcontracts (Aug 1998)—Alternate I	Aug 1998
52.244-05	Competition in Subcontracting	Dec 1996
52.244-06	Subcontracts for Commercial Items and Commercial Components	Oct 1998
52.245-02	Government Property (Fixed-Price Contracts)	Dec 1989
52.245-18	Special Test Equipment	Feb 1993
52.246-24	Limitation of Liability-- High Value Items	Feb 1997
52.246-24	Limitation of Liability-- High Value Items (Feb 1997)--Alternate I	Apr 1984
52.246-25	Limitation of Liabilities -- Services	Feb 1997
52.247-01	Commercial Bill of Lading Notations	Apr 1984
52.247-63	Preference for U.S.-Flag Air Carriers	Jan 1997
52.249-02	Termination for Convenience of the Government (Fixed-Price)	Sep 1996
52.249-06	Termination (Cost-Reimbursement)	Sep 1996
52.249-06	Termination (Cost-Reimbursement) (Sep 1996) --Alternate II	Sep 1996
52.249-06	Termination (Cost-Reimbursement) (Sep 1996) --Alternate IV	Sep 1996
52.249-08	Default (Fixed-Price Supply and Service)	Apr 1984
52.249-14	Excusable Delays	Apr 1984
52.251-01	Government Supply Sources	Apr 1984
52.253-01	Computer Generated Forms	Jan 1991

	<u>PART II</u>	
<u>DFARS</u> <u>Subsection</u>	<u>Title</u>	<u>Date</u>
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies	Mar 1999
252.203-7002	Display of DOD Hotline Poster	Dec 1991
252.204-7003	Control of Government Personnel Work Product	Apr 1992
252.205-7000	Provision of Information to Cooperative Agreement Holders	Dec 1991
252.209-7000	Acquisition from Subcontractors Subject to On-Site Inspection Under the Intermediate-Range Nuclear Forces (INF) Treaty	Nov 1995
252.209-7004	Subcontracting with Firms that are owned or controlled by the Government of a Terrorist Country	May 1998
252.211-7000	Acquisition Streamlining	Dec 1991
252.215-7000	Pricing Adjustments	Dec 1991
252.215-7002	Cost Estimating System Requirements	Jul 1997
252.217-7028	Over and Above Work	Dec 1991
252.219-7003	Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (DOD Contracts)	Apr 1996
252.223-7006	Prohibition on Storage and Disposal of Toxic and Hazardous Materials	Apr 1993
252.225-7001	Buy American Act and Balance of Payments Program	Mar 1998
252.225-7002	Qualifying Country Sources as Subcontractors	Dec 1991
252.225-7009	Duty-Free Entry--Qualifying Country End Products and Supplies	Aug 2000
252.225-7012	Preference for Certain Domestic Commodities	Aug 2000
252.225-7014	Preference for Domestic Specialty Metals	Mar 1998
252.225-7016	Restriction on Acquisition of Ball or Roller Bearings	Dec 2000
252.225-7025	Restrictions on Acquisitions of Forgings	Jun 1997
252.225-7026	Reporting of Contract Performance Outside the United States	Jun 2000
252.225-7028	Exclusionary Policies and Practices of Foreign Governments	Dec 1991
252.225-7030	Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate	Dec 1991
252.225-7031	Secondary Arab Boycott of Israel	Jun 1992
252.227-7013	Rights in Technical Data - Noncommercial Items	Nov 1995
252.227-7016	Rights in Bid or Proposal Information	Jun 1995
252.227-7030	Technical Data--Withholding of Payment	Mar 2000
252.227-7036	Declaration Of Technical Data Conformity	Jan 1997
252.227-7037	Validation of Restrictive Markings on Technical Data	Jun 1995
252.231-7000	Supplemental Cost Principles	Dec 1991
252.232-7002	Progress Payments for Foreign Military Sales Acquisitions	Dec 1991
252.232-7004	DoD Progress Payment Rates	Feb 1996
252.242-7003	Application for U.S. Government Shipping Documentation/Instructions	Dec 1991
252.242-7004	Material Management and Accounting System	Dec 2000
252.243-7001	Pricing of Contract Modifications	Dec 1991
252.243-7002	Request for Equitable Adjustment	Mar 1998
252.244-7000	Subcontracts for Commercial Items and Commercial Components (DOD Contracts)	Mar 2000
252.245-7001	Reports of Government Property	May 1994
252.246-7000	Material Inspection and Receiving Report	Dec 1991
252.247-7023	Transportation of Supplies by Sea	Mar 2000
252.248-7000	Preparation of Value Engineering Change Proposals	May 1994
252.251-7000	Ordering From Government Supply Sources	May 1995



CLAUSES IN FULL TEXT

## CLAUSES INCORPORATED BY REFERENCE (FEB 1998) (52.252-2)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these addresses\*(es): <http://www.arnet.gov/far>

## CHILD LABOR-COOPERATION WITH AUTHORITIES AND REMEDIES (FEB 2001)(FAR 52.222-19)

(a) Applicability. This clause does not apply to the extent that the Contractor is supplying end products mined, produced, or manufactured in-

- (1) Canada, and the anticipated value of the acquisition is \$25,000 or more;
- (2) Israel, and the anticipated value of the acquisition is \$50,000 or more;
- (3) Mexico, and the anticipated value of the acquisition is \$54,372 or more; or
- (4) Aruba, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Korea, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, or the United Kingdom and the anticipated value of the acquisition is \$177,000 or more.

(b) Cooperation with Authorities. To enforce the laws prohibiting the manufacture of importation of products mined, produced, or manufactured by forced or indentured child labor, authorized officials may need to conduct investigations to determine whether forced or indentured child labor was used to mine, produce, or manufacture any product furnished under this contract. If the solicitation includes the provision 52.222-18, Certification Regarding Knowledge of Child Labor for Listed End Products, or the equivalent at 52.212-3(i), the Contractor agrees to cooperate fully with authorized officials of the contracting agency, the Department of the Treasury, or the Department of Justice by providing reasonable access to records, documents, persons, or premises upon reasonable request by the authorized official.

(c) Violations. The Government may impose remedies set forth in paragraph (d) for the following violations:

- (1) The Contractor has submitted a false certification regarding knowledge of the use of forced or indentured child labor for listed end products.
- (2) The Contractor has failed to cooperate, if required, in accordance with paragraph (b) of this clause, with an investigation of the use of forced or indentured child labor by an Inspector General, Attorney General, or the Secretary of the Treasury.
- (3) The Contractor used forced or indentured child labor in its mining, production, or manufacturing processes.
- (4) The Contractor has furnished under the contract end products or components that have been mined, produced, or manufactured wholly or in part by forced or indentured child labor. (The Government will not pursue remedies at paragraph (d)(2) or paragraph (d)(3) of this clause unless sufficient evidence indicates that the Contractor knew of the violation.)

(d) Remedies.

- (1) The Contracting Officer may terminate the contract.
- (2) The suspending official may suspend the Contractor in accordance with procedures in FAR Subpart 9.4.
- (3) The debarring official may debar the Contractor for a period not to exceed 3 years in accordance with the procedures in FAR Subpart 9.4.

(End of clause)

## EXECUTION AND COMMENCEMENT OF WORK (APR 1984) (FAR 52.216-23)

The Contractor shall indicate acceptance of this letter contract by signing three copies of the contract and returning them to the Contracting Officer not later than \_\_\_\_\_ [insert date]. Upon acceptance by both parties, the Contractor shall proceed with performance of the work, including purchase of necessary materials.

## LIMITATION OF GOVERNMENT LIABILITY (APR 1984) (FAR 52.216-24)

- (a) In performing this contract, the Contractor is not authorized to make expenditures or incur obligations exceeding \_\_\_\_\_ dollars.
- (b) The maximum amount for which the Government shall be liable if this contract is terminated is \_\_\_\_\_ dollars.

## PAYMENT FOR OVERTIME PREMIUMS (JUL 1990) (FAR 52.222-2)

- (a) The use of overtime is authorized under this contract if the overtime premium does not exceed \* \_\_\_\_ or the overtime premium is paid for

work--

- (1) Necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns of production equipment, or occasional production bottlenecks of a sporadic nature;
  - (2) By indirect-labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting;
  - (3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation conveyances, and operations in flight or afloat that are continuous in nature and cannot reasonably be interrupted or completed otherwise; or
  - (4) That will result in lower overall costs to the Government.
- (b) Any request for estimated overtime premiums that exceeds the amount specified above shall include all estimated overtime for contract completion and shall--
- (1) Identify the work unit; e.g., department or section in which the requested overtime will be used, together with present workload, staffing, and other data of the affected unit sufficient to permit the Contracting Officer to evaluate the necessity for the overtime;
  - (2) Demonstrate the effect that denial of the request will have on the contract delivery or performance schedule;
  - (3) Identify the extent to which approval of overtime would affect the performance or payments in connection with other Government contracts, together with identification of each affected contract; and
  - (4) Provide reasons why the required work cannot be performed by using multishift operations or by employing additional personnel.

\*Insert either "zero" or the dollar amount agreed to during negotiations. The inserted figure does not apply to the exceptions in subparagraph (a)(1) through (a)(4) of the clause.

#### PROHIBITION OF SEGREGATED FACILITIES (52.222-21) (FEB 1999)

- (a) "Segregated facilities," as used in this clause, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex or national origin because of written or oral policies or employee custom. The term does not include separate or single-user rest rooms and necessary dressing or sleeping areas, which shall be provided to assure privacy between the sexes.
- (b) The Contractor agrees that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Contractor agrees that a breach of this clause is a violation of the Equal Opportunity clause in this contract.
- (c) The Contractor shall include this clause in every subcontract and purchase order that is subject to the Equal Opportunity clause of this contract.

#### SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (FAR 52.244-6) (OCT 1998)

##### (a) *Definitions.*

"Commercial item," as used in this clause, has the meaning contained in the clause at 52.202-1, Definitions.

"Subcontract," as used in this clause, includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

- (b) To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or nondevelopmental items as components of items to be supplied under this contract.
- (c) Notwithstanding any other clause of this contract, the Contractor is not required to include any FAR provision or clause, other than those listed below to the extent they are applicable and as may be required to establish the reasonableness of prices under Part 15, in a subcontract at any tier for commercial items or commercial components:
- (1) 52.222-26, Equal Opportunity (E.O.11246);
  - (2) 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C.4212(a));
  - (3) 52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C.793); and
  - (4) 52.247-64, Preference for Privately Owned U.S.-Flagged Commercial Vessels (46 U.S.C.1241) (flow down not required for subcontracts awarded beginning May 1, 1996).
- (d) The Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.

#### GOVERNMENT PROPERTY (FIXED-PRICE CONTRACTS) (DEC 1989) (FAR 52.245-2)

(a) Government-furnished property. (1) The Government shall deliver to the Contractor, for use in connection with and under the terms of this contract, the Government-furnished property described in the Schedule or specifications together with any related data and information that the Contractor may request and is reasonably required for the intended use of the property (hereinafter referred to as "Government-furnished property").

(2) The delivery or performance dates for this contract are based upon the expectation that Government-furnished property suitable for use (except for property furnished "as is") will be delivered to the Contractor at the times stated in the Schedule or, if not so stated, in sufficient time to enable the Contractor to meet the contract's delivery or performance dates.

(3) If Government-furnished property is received by the Contractor in a condition not suitable for the intended use, the Contractor shall, upon receipt of it, notify the Contracting Officer, detailing the facts, and, as directed by the Contracting Officer and at Government expense, either repair, modify, return, or otherwise dispose of the property. After completing the directed action and upon written request of the Contractor, the Contracting Officer shall make an equitable adjustment as provided in paragraph (h) of this clause.

(4) If Government-furnished property is not delivered to the Contractor by the required time, the Contracting Officer shall, upon the Contractor's timely written request, make a determination of the delay, if any, caused the Contractor and shall make an equitable adjustment in accordance with paragraph (h) of this clause.

(b) Changes in Government-furnished property. (1) The Contracting Officer may, by written notice, (i) decrease the Government-furnished property provided or to be provided under this contract, or (ii) substitute other Government-furnished property for the property to be provided by the Government, or to be acquired by the Contractor for the Government, under this contract. The Contractor shall promptly take such action as the Contracting Officer may direct regarding the removal, shipment, or disposal of the property covered by such notice.

(2) Upon the Contractor's written request, the Contracting Officer shall make an equitable adjustment to the contract in accordance with paragraph (h) of this clause, if the Government has agreed in the Schedule to make the property available for performing this contract and there is any--

(i) Decrease or substitution in this property pursuant to subparagraph (b)(1) above; or

(ii) Withdrawal of authority to use this property, if provided under any other contract or lease.

(c) Title in Government property. (1) The Government shall retain title to all Government-furnished property.

(2) All Government-furnished property and all property acquired by the Contractor, title to which vests in the Government under this paragraph (collectively referred to as "Government property"), are subject to the provisions of this clause. However, special tooling accountable to this contract is subject to the provisions of the Special Tooling clause and is not subject to the provisions of this clause. Title to Government property shall not be affected by its incorporation into or attachment to any property not owned by the Government, nor shall Government property become a fixture or lose its identity as personal property by being attached to any real property.

(3) Title to each item of facilities and special test equipment acquired by the Contractor for the Government under this contract shall pass to and vest in the Government when its use in performing this contract commences or when the Government has paid for it, whichever is earlier, whether or not title previously vested in the Government.

(4) If this contract contains a provision directing the Contractor to purchase material for which the Government will reimburse the Contractor as a direct item of cost under this contract--

(i) Title to material purchased from a vendor shall pass to and vest in the Government upon the vendor's delivery of such material; and

(ii) Title to all other material shall pass to and vest in the Government upon--

(A) Issuance of the material for use in contract performance;

(B) Commencement of processing of the material or its use in contract performance; or

(C) Reimbursement of the cost of the material by the Government, whichever occurs first.

(d) Use of Government property. The Government property shall be used only for performing this contract, unless otherwise provided in this contract or approved by the Contracting Officer.

(e) Property administration. (1) The Contractor shall be responsible and accountable for all Government property provided under this contract and shall comply with Federal Acquisition Regulation (FAR) Subpart 45.5, as in effect on the date of this contract.

(2) The Contractor shall establish and maintain a program for the use, maintenance, repair, protection, and preservation of Government property in accordance with sound industrial practice and the applicable provisions of Subpart 45.5 of the FAR.

(3) If damage occurs to Government property, the risk of which has been assumed by the Government under this contract, the Government shall replace the items or the Contractor shall make such repairs as the Government directs. However, if the Contractor cannot effect such repairs within the time required, the Contractor shall dispose of the property as directed by the Contracting Officer.

When any property for which the Government is responsible is replaced or repaired, the Contracting Officer shall make an equitable adjustment in accordance with paragraph (h) of this clause.

(4) The Contractor represents that the contract price does not include any amount for repairs or replacement for which the Government is responsible. Repair or replacement of property for which the Contractor is responsible shall be accomplished by the Contractor at its own expense.

(f) Access. The Government and all its designees shall have access at all reasonable times to the premises in which any Government property is located for the purpose of inspecting the Government property.

(g) Risk of loss. Unless otherwise provided in this contract, the Contractor assumes the risk of, and shall be responsible for, any loss or destruction of, or damage to, Government property upon its delivery to the Contractor or upon passage of title to the Government under paragraph (c) of this clause. However, the Contractor is not responsible for reasonable wear and tear to Government property or for Government property properly consumed in performing this contract.

(h) Equitable adjustment. When this clause specifies an equitable adjustment, it shall be made to any affected contract provision in accordance with the procedures of the Changes clause. When appropriate, the Contracting Officer may initiate an equitable adjustment in favor of the Government. The right to an equitable adjustment shall be the Contractor's exclusive remedy. The Government shall not be liable to suit for breach of contract for--

- (1) Any delay in delivery of Government-furnished property;
- (2) Delivery of Government-furnished property in a condition not suitable for its intended use;
- (3) A decrease in or substitution of Government-furnished property; or
- (4) Failure to repair or replace Government property for which the Government is responsible.

(i) Final accounting and disposition of Government property. Upon completing this contract, or at such earlier dates as may be fixed by the Contracting Officer, the Contractor shall submit, in a form acceptable to the Contracting Officer, inventory schedules covering all items of Government property (including any resulting scrap) not consumed in performing this contract or delivered to the Government. The Contractor shall prepare for shipment, deliver f.o.b. origin, or dispose of the Government property as may be directed or authorized by the Contracting Officer. The net proceeds of any such disposal shall be credited to the contract price or shall be paid to the Government as the Contracting Officer directs.

(j) Abandonment and restoration of Contractor's premises. Unless otherwise provided herein, the Government--

(1) May abandon any Government property in place, at which time all obligations of the Government regarding such abandoned property shall cease; and

(2) Has no obligation to restore or rehabilitate the Contractor's premises under any circumstances (e.g., abandonment, disposition upon completion of need, or upon contract completion). However, if the Government-furnished property (listed in the Schedule or specifications) is withdrawn or is unsuitable for the intended use, or if other Government property is substituted, then the equitable adjustment under paragraph (h) of this clause may properly include restoration or rehabilitation costs.

(k) Communications. All communications under this clause shall be in writing.

(l) Overseas contracts. If this contract is to be performed outside of the United States of America, its territories, or possessions, the words "Government" and "Government-furnished" (wherever they appear in this clause) shall be construed as "United States Government" and "United States Government-furnished," respectively.

[DoD-- Deviation, per DAR Tracking Number 97-O0002, 20 June 97, through July 99]  
Alternate I (DEVIATION)(Apr 1984).

As prescribed in 45.106(b)(2), substitute the following paragraph (g) for paragraph (g) of the basic clause:

(g) Limited risk of loss. (1) The term "Contractor's managerial personnel," as used in this paragraph (g), means the Contractor's directors, officers, and any of the Contractor's managers, superintendents, or equivalent representatives who have supervision or direction of--

- (i) All or substantially all of the Contractor's business;
- (ii) All or substantially all of the Contractor's operation at any one plant or separate location at which the contract is being performed; or
- (iii) A separate and complete major industrial operation connected with performing this contract.

(2) The Contractor shall not be liable for loss or destruction of, or damage to, the Government property provided under this contract (or, if an educational or nonprofit organization, for expenses incidental to such loss, destruction, or damage), except as provided in subparagraphs (3) and (4) below.

(3) The Contractor shall be responsible for loss or destruction of, or damage to, the Government property provided under this contract (including expenses incidental to such loss, destruction, or damage)--

- (i) That results from a risk expressly required to be insured under this contract, but only to the extent of the insurance required to be purchased and maintained, or to the extent of insurance actually purchased and maintained, whichever is greater;
- (ii) That results from a risk that is in fact covered by insurance or for which the Contractor is otherwise reimbursed, but only to the extent of such insurance or reimbursement;
- (iii) For which the Contractor is otherwise responsible under the express terms of this contract;
- (iv) That results from willful misconduct or lack of good faith on the part of the Contractor's managerial personnel; or

(v) That results from a failure on the part of the Contractor, due to willful misconduct or lack of good faith on the part of the Contractor's managerial personnel, to establish and administer a program or system for the control, use, protection, preservation, maintenance, and repair of Government property as required by paragraph (e) of this clause.

(4)(i) If the Contractor fails to act as provided in subdivision (g)(3)(v) above, after being notified (by certified mail addressed to one of the Contractor's managerial personnel) of the Government's disapproval, withdrawal of approval, or nonacceptance of the system or program, it shall be conclusively presumed that such failure was due to willful misconduct or lack of good faith on the part of the Contractor's managerial personnel.

(ii) In such event, any loss or destruction of, or damage to, the Government property shall be presumed to have resulted from such failure unless the Contractor can establish by clear and convincing evidence that such loss, destruction, or damage--

(A) Did not result from the Contractor's failure to maintain an approved program or system; or

(B) Occurred while an approved program or system was maintained by the Contractor.

(5) If the Contractor transfers Government property to the possession and control of a subcontractor, the transfer shall not affect the liability of the Contractor for loss or destruction of, or damage to, the property as set forth above. However, the Contractor shall require the subcontractor to assume the risk of, and be responsible for, any loss or destruction of, or damage to, the property while in the subcontractor's possession or control, except to the extent that the subcontract, with the advance approval of the Contracting Officer, relieves the subcontractor from such liability. In the absence of such approval, the subcontract shall contain appropriate provisions requiring the return of all Government property in as good condition as when received, except for reasonable wear and tear or for its use in accordance with the provisions of the prime contract.

(6) The contractor shall notify the contracting officer upon loss or destruction of, or damage to, Government property provided under this contract, with the exception of low value property for which loss, damage, or destruction is reported at contract termination, completion, or when needed for continued contract performance. The Contractor shall take all reasonable action to protect the Government property from further damage, separate the damaged and undamaged Government property, put all the affected Government property in the best possible order, and furnish to the Contracting Officer a statement of--

(i) The lost, destroyed, or damaged Government property;

(ii) The time and origin of the loss, destruction, or damage;

(iii) All known interests in commingled property of which the Government property is a part; and

(iv) The insurance, if any, covering any part of or interest in such commingled property.

(7) The Contractor shall repair, renovate, and take such other action with respect to damaged Government property as the Contracting Officer directs. If the Government property is destroyed or damaged beyond practical repair, or is damaged and so commingled or combined with property of others (including the

Contractor's) that separation is impractical, the Contractor may, with the approval of and subject to any conditions imposed by the Contracting Officer, sell such property for the account of the Government. Such sales may be made in order to minimize the loss to the Government, permit the resumption of business, or to accomplish a similar purpose. The Contractor shall be entitled to an equitable adjustment in the contract price for the expenditures made in performing the obligations under this subparagraph (g)(7) in accordance with paragraph (h) of this clause. However, the Government may directly reimburse the loss and salvage organization for any of their charges. The Contracting Officer shall give due regard to the Contractor's liability under this paragraph (g) when making such equitable adjustment.

(8) The Contractor represents that it is not including in the price and agrees it will not hereafter include in any price to the Government any charge or reserve for insurance (including any self-insurance fund or reserve) covering loss or destruction of, or damage to, Government property, except to the extent that the Government may have expressly required the Contractor to carry such insurance under another provision of this contract.

(9) In the event the Contractor is reimbursed or otherwise compensated for any loss or destruction of, or damage to, Government property, the Contractor shall use the proceeds to repair, renovate, or replace the lost, destroyed, or damaged Government property or shall otherwise credit the proceeds to or equitably reimburse the Government, as directed by the Contracting Officer.

(10) The Contractor shall do nothing to prejudice the Government's rights to recover against third parties for any loss or destruction of, or damage to, Government property. Upon the request of the Contracting Officer, the Contractor shall, at the Government's expense, furnish to the Government all reasonable assistance and cooperation (including the prosecution of suit and the execution of instruments of assignment in favor of the Government) in obtaining recovery. In addition, where a subcontractor has not been relieved from liability for any loss or destruction of, or damage to, Government property, the Contractor shall enforce for the benefit of the Government the liability of the subcontractor for such loss, destruction, or damage.

GOVERNMENT PROPERTY (COST-REIMBURSEMENT, TIME-AND-MATERIAL, OR LABOR-HOUR CONTRACTS) (JAN 1986)(FAR 52.245-5) (DEV)

(a) *Government-furnished property.* (1) The term "Contractor's managerial personnel," as used in paragraph (g) of this clause, means any of the Contractor's directors, officers, managers, superintendents, or equivalent representatives who have supervision or

direction of--

(i) All or substantially all of the Contractor's business;

(ii) All or substantially all of the Contractor's operation at any one plant, or separate location at which the contract is being performed; or

(iii) A separate and complete major industrial operation connected with performing this contract.

(2) The Government shall deliver to the Contractor, for use in connection with and under the terms of this contract, the Government-furnished property described in the Schedule or specifications, together with such related data and information as the Contractor may request and as may be reasonably required for the intended use of the property (hereinafter referred to as "Government-furnished property").

(3) The delivery or performance dates for this contract are based upon the expectation that Government-furnished property suitable for use will be delivered to the Contractor at the times stated in the Schedule or, if not so stated, in sufficient time to enable the Contractor to meet the contract's delivery or performance dates.

(4) If Government-furnished property is received by the Contractor in a condition not suitable for the intended use, the Contractor shall, upon receipt, notify the Contracting Officer, detailing the facts, and, as directed by the Contracting Officer and at Government expense, either effect repairs or modification or return or otherwise dispose of the property. After completing the directed action and upon written request of the Contractor, the Contracting Officer shall make an equitable adjustment as provided in paragraph (h) of this clause.

(5) If Government-furnished property is not delivered to the Contractor by the required time or times, the Contracting Officer shall, upon the Contractor's timely written request, make a determination of the delay, if any, caused the Contractor and shall make an equitable adjustment in accordance with paragraph (h) of this clause.

(b) *Changes in Government-furnished property.* (1) The Contracting Officer may, by written notice, (i) decrease the Government-furnished property provided or to be provided under this contract or (ii) substitute other Government-furnished property for the property to be provided by the Government or to be acquired by the Contractor for the Government under this contract. The Contractor shall promptly take such action as the Contracting Officer may direct regarding the removal, shipment, or disposal of the property covered by this notice.

(2) Upon the Contractor's written request, the Contracting Officer shall make an equitable adjustment to the contract in accordance with paragraph (h) of this clause, if the Government has agreed in the Schedule to make such property available for performing this contract and there is any--

(i) Decrease or substitution in this property pursuant to subparagraph (b)(1) above; or

(ii) Withdrawal of authority to use property, if provided under any other contract or lease.

(c) *Title.* (1) The Government shall retain title to all Government-furnished property.

(2) Title to all property purchased by the Contractor for which the Contractor is entitled to be reimbursed as a direct item of cost under this contract shall pass to and vest in the Government upon the vendor's delivery of such property.

(3) Title to all other property, the cost of which is reimbursable to the Contractor, shall pass to and vest in the Government upon--

(i) Issuance of the property for use in contract performance;

(ii) Commencement of processing of the property for use in contract performance; or

(iii) Reimbursement of the cost of the property by the Government, whichever occurs first.

(4) All Government-furnished property and all property acquired by the Contractor, title to which vests in the Government under this paragraph (collectively referred to as "Government property"), are subject to the provisions of this clause. Title to Government property shall not be affected by its incorporation into or attachment to any property not owned by the Government, nor shall Government property become a fixture or lose its identity as personal property by being attached to any real property.

(d) *Use of Government property.* The Government property shall be used only for performing this contract, unless otherwise provided in this contract or approved by the Contracting Officer.

(e) *Property administration.* (1) The Contractor shall be responsible and accountable for all Government property provided under the contract and shall comply with Federal Acquisition Regulation (FAR) Subpart 45.5, as in effect on the date of this contract.

(2) The Contractor shall establish and maintain a program for the use, maintenance, repair, protection, and preservation of Government property in accordance with sound business practice and the applicable provisions of FAR Subpart 45.5.

(3) If damage occurs to Government property, the risk of which has been assumed by the Government under this contract, the Government shall replace the items or the Contractor shall make such repairs as the Government directs. However, if the Contractor cannot effect such repairs within the time required, the Contractor shall dispose of the property as directed by the Contracting Officer. When any property for which the Government is responsible is replaced or repaired, the Contracting Officer shall make an equitable adjustment in accordance with paragraph (h) of this clause.

(f) *Access.* The Government and all its designees shall have access at all reasonable times to the premises in which any Government property is located for the purpose of inspecting the Government property.

(g) *Limited risk of loss.* (1) The Contractor shall not be liable for loss or destruction of, or damage to, the Government property provided under this contract or for expenses incidental to such loss, destruction, or damage, except as provided in subparagraphs (2) and (3) below.

(2) The Contractor shall be responsible for loss or destruction of, or damage to, the Government property provided under this contract (including expenses incidental to such loss, destruction, or damage)--

- (i) That results from a risk expressly required to be insured under this contract, but only to the extent of the insurance required to be purchased and maintained or to the extent of insurance actually purchased and maintained, whichever is greater;
- (ii) That results from a risk that is in fact covered by insurance or for which the Contractor is otherwise reimbursed, but only to the extent of such insurance or reimbursement;
- (iii) For which the Contractor is otherwise responsible under the express terms of this contract;
- (iv) That results from willful misconduct or lack of good faith on the part of the Contractor's managerial personnel; or
- (v) That results from a failure on the part of the Contractor, due to willful misconduct or lack of good faith on the part of the Contractor's managerial personnel, to establish and administer a program or system for the control, use, protection, preservation, maintenance, and repair of Government property as required by paragraph (e) of this clause.

(3)(i) If the Contractor fails to act as provided by subdivision (g)(2)(v) above, after being notified (by certified mail addressed to one of the Contractor's managerial personnel) of the Government's disapproval, withdrawal of approval, or nonacceptance of the system or program, it shall be conclusively presumed that such failure was due to willful misconduct or lack of good faith on the part of the Contractor's managerial personnel.

(ii) In such event, any loss or destruction of, or damage to, the Government property shall be presumed to have resulted from such failure unless the Contractor can establish by clear and convincing evidence that such loss, destruction, or damage--

- (A) Did not result from the Contractor's failure to maintain an approved program or system; or
- (B) Occurred while an approved program or system was maintained by the Contractor.

(4) If the Contractor transfers Government property to the possession and control of a subcontractor, the transfer shall not affect the liability of the Contractor for loss or destruction of, or damage to, the property as set forth above. However, the Contractor shall require the subcontractor to assume the risk of, and be responsible for, any loss or destruction of, or damage to, the property while in the subcontractor's possession or control, except to the extent that the subcontract, with the advance approval of the Contracting Officer, relieves the subcontractor from such liability. In the absence of such approval, the subcontract shall contain appropriate provisions requiring the return of all Government property in as good condition as when received, except for reasonable wear and tear or for its use in accordance with the provisions of the prime contract.

(5) [The contractor shall notify the contracting officer upon loss or destruction of, or damage to, government property provided under this contract, [with the exception of low value property for which loss, damage, or destruction is reported at contract termination, completion, or when needed for continued contract performance. T]he Contractor shall take all reasonable action to protect the Government property from further damage, separate the damaged and undamaged Government property, put all the affected Government property in the best possible order, and furnish to the Contracting Officer a statement of--

- (i) The lost, destroyed, or damaged Government property;
- (ii) The time and origin of the loss, destruction, or damage;
- (iii) All known interests in commingled property of which the Government property is a part; and
- (iv) The insurance, if any, covering any part of or interest in such commingled property.

(6) The Contractor shall repair, renovate, and take such other action with respect to damaged Government property as the Contracting Officer directs. If the Government property is destroyed or damaged beyond practical repair, or is damaged and so commingled or combined with property of others (including the Contractor's) that separation is impractical, the Contractor may, with the approval of and subject to any conditions imposed by the Contracting Officer, sell such property for the account of the Government. Such sales may be made in order to minimize the loss to the Government, to permit the resumption of business, or to accomplish a similar purpose. The Contractor shall be entitled to an equitable adjustment in the contract price for the expenditures made in performing the obligations under this subparagraph (g)(6) in accordance with paragraph (h) of this clause. However, the Government may directly reimburse the loss and salvage organization for any of their charges. The Contracting Officer shall give due regard to the Contractor's liability under this paragraph (g) when making any such equitable adjustment.

(7) The Contractor shall not be reimbursed for, and shall not include as an item of overhead, the cost of insurance or of any reserve covering risk of loss or destruction of, or damage to, Government property, except to the extent that the Government may have expressly required the Contractor to carry such insurance under another provision of this contract.

(8) In the event the Contractor is reimbursed or otherwise compensated for any loss or destruction of, or damage to, Government property, the Contractor shall use the proceeds to repair, renovate, or replace the lost, destroyed, or damaged Government property or shall otherwise credit the proceeds to, or equitably reimburse, the Government, as directed by the Contracting Officer.

(9) The Contractor shall do nothing to prejudice the Government's rights to recover against third parties for any loss or destruction of, or damage to, Government property. Upon the request of the Contracting Officer, the Contractor shall, at the Government's expense, furnish to the Government all reasonable assistance and cooperation (including the prosecution of suit and the execution of instruments of assignment in favor of the Government) in obtaining recovery. In addition, where a subcontractor has not been relieved from liability for any loss or destruction

of, or damage to, Government property, the Contractor shall enforce for the benefit of the Government the liability of the subcontractor for such loss, destruction, or damage.

(h) *Equitable adjustment.* When this clause specifies an equitable adjustment, it shall be made to any affected contract provision in accordance with the procedures of the Changes clause. When appropriate, the Contracting Officer may initiate an equitable adjustment in favor of the Government. The right to an equitable adjustment shall be the Contractor's exclusive remedy. The Government shall not be liable to suit for breach of contract for--

(1) Any delay in delivery of Government-furnished property;

(2) Delivery of Government-furnished property in a condition not suitable for its intended use;

(3) A decrease in or substitution of Government-furnished property; or

(4) Failure to repair or replace Government property for which the Government is responsible.

(i) *Final accounting and disposition of Government property.* Upon completing this contract, or at such earlier dates as may be fixed by the Contracting Officer, the Contractor shall submit, in a form acceptable to the Contracting Officer, inventory schedules covering all items of Government property not consumed in performing this contract or delivered to the Government. The Contractor shall prepare for shipment, deliver f.o.b. origin, or dispose of the Government property as may be directed or authorized by the Contracting Officer. The net proceeds of any such disposal shall be credited to the cost of the work covered by this contract or paid to the Government as

(ii) directed by the Contracting Officer. The foregoing provisions shall apply to scrap from Government property; *provided*, however, that the Contracting Officer may authorize or direct the Contractor to omit from such inventory schedules any scrap consisting of faulty castings or forgings or of cutting and processing waste, such as chips, cuttings, borings, turnings, short ends, circles, trimmings, clippings, and remnants, and to dispose of such scrap in accordance with the Contractor's normal practice and account for it as a part of general overhead or other reimbursable costs in accordance with the Contractor's established accounting procedures.

(j) *Abandonment and restoration of Contractor premises.* Unless otherwise provided herein, the Government--

(1) May abandon any Government property in place, at which time all obligations of the Government regarding such abandoned property shall cease; and

(2) Has no obligation to restore or rehabilitate the Contractor's premises under any circumstances (*e.g.*, abandonment, disposition upon completion of need, or contract completion). However, if the Government-furnished property (listed in the Schedule or specifications) is withdrawn or is unsuitable for the intended use, or if other Government property is substituted, then the equitable adjustment under paragraph (h) of this clause may properly include restoration or rehabilitation costs.

(k) *Communications.* All communications under this clause shall be in writing.

(l) *Overseas contracts.* If this contract is to be performed outside the United States of America, its territories, or possessions, the words "Government" and "Government-furnished" (wherever they appear in this clause) shall be construed as "United States Government" and "United States Government-furnished," respectively.

(End of clause)

#### VALUE ENGINEERING (FEB 2000) (FAR 52.248-1)

As prescribed in 48.201, insert the following clause:

(a) *General.* The Contractor is encouraged to develop, prepare, and submit value engineering change proposals (VECP's) voluntarily. The Contractor shall share in any net acquisition savings realized from accepted VECP's, in accordance with the incentive sharing rates in paragraph (f) below.

(b) *Definitions.*

"*Acquisition savings*," as used in this clause, means savings resulting from the application of a VECP to contracts awarded by the same contracting office or its successor for essentially the same unit. Acquisition savings include --

(1) Instant contract savings, which are the net cost reductions on this, the instant contract, and which are equal to the instant unit cost reduction multiplied by the number of instant contract units affected by the VECP, less the Contractor's allowable development and implementation costs;

(2) Concurrent contract savings, which are net reductions in the prices of other contracts that are definitized and ongoing at the time the VECP is accepted; and

(3) Future contract savings, which are the product of the future unit cost reduction multiplied by the number of future contract units in the sharing base. On an instant contract, future contract savings include savings on increases in quantities after VECP acceptance that are due to contract modifications, exercise of options, additional orders, and funding of subsequent year requirements on a multiyear contract.



"*Collateral costs*," as used in this clause, means agency cost of operation, maintenance, logistic support, or Government-furnished property.  
 "*Collateral savings*," as used in this clause, means those measurable net reductions resulting from a VECP in the agency's overall projected collateral costs, exclusive of acquisition savings, whether or not the acquisition cost changes.

"*Contracting office*" includes any contracting office that the acquisition is transferred to, such as another branch of the agency or another agency's office that is performing a joint acquisition action.

"*Contractor's development and implementation costs*," as used in this clause, means those costs the Contractor incurs on a VECP specifically in developing, testing, preparing, and submitting the VECP, as well as those costs the Contractor incurs to make the contractual changes required by Government acceptance of a VECP.

"*Future unit cost reduction*," as used in this clause, means the instant unit cost reduction adjusted as the Contracting Officer considers necessary for projected learning or changes in quantity during the sharing period. It is calculated at the time the VECP is accepted and applies either --

(1) Throughout the sharing period, unless the Contracting Officer decides that recalculation is necessary because conditions are significantly different from those previously anticipated; or

(2) To the calculation of a lump-sum payment, which cannot later be revised.

"*Government costs*," as used in this clause, means those agency costs that result directly from developing and implementing the VECP, such as any net increases in the cost of testing, operations, maintenance, and logistics support. The term does not include the normal administrative costs of processing the VECP or any increase in this contract's cost or price resulting from negative instant contract savings.

"*Instant contract*," as used in this clause, means this contract, under which the VECP is submitted. It does not include increases in quantities after acceptance of the VECP that are due to contract modifications, exercise of options, or additional orders. If this is a multiyear contract, the term does not include quantities funded after VECP acceptance. If this contract is a fixed-price contract with prospective price redetermination, the term refers to the period for which firm prices have been established.

"*Instant unit cost reduction*" means the amount of the decrease in unit cost of performance (without deducting any Contractor's development or implementation costs) resulting from using the VECP on this, the instant contract. If this is a service contract, the instant unit cost reduction is normally equal to the number of hours per line-item task saved by using the VECP on this contract, multiplied by the appropriate contract labor rate.

"*Negative instant contract savings*" means the increase in the cost or price of this contract when the acceptance of a VECP results in an excess of the Contractor's allowable development and implementation costs over the product of the instant unit cost reduction multiplied by the number of instant contract units affected.

"*Net acquisition savings*" means total acquisition savings, including instant, concurrent, and future contract savings, less Government costs.

"*Sharing base*," as used in this clause, means the number of affected end items on contracts of the contracting office accepting the VECP.

"*Sharing period*," as used in this clause, means the period beginning with acceptance of the first unit incorporating the VECP and ending at a calendar date or event determined by the contracting officer for each VECP.

"*Unit*," as used in this clause, means the item or task to which the Contracting Officer and the Contractor agree the VECP applies.

"*Value engineering change proposal (VECP)*" means a proposal that --

(1) Requires a change to this, the instant contract, to implement; and

(2) Results in reducing the overall projected cost to the agency without impairing essential functions or characteristics; provided, that it does not involve a change --

(i) In deliverable end item quantities only;

(ii) In research and development (R&D) end items or R&D test quantities that is due solely to results of previous testing under this contract; or

(iii) To the contract type only.

(c) *VECP preparation.* As a minimum, the Contractor shall include in each VECP the information described in subparagraphs (c)(1) through (8) below. If the proposed change is affected by contractually required configuration management or similar procedures, the instructions in those procedures relating to format, identification, and priority assignment shall govern VECP preparation. The VECP shall include the following:

(1) A description of the difference between the existing contract requirement and the proposed requirement, the comparative advantages and disadvantages of each, a justification when an item's function or characteristics are being altered, the effect of the change on the end item's performance, and any pertinent objective test data.

(2) A list and analysis of the contract requirements that must be changed if the VECP is accepted, including any suggested specification revisions.

(3) Identification of the unit to which the VECP applies.

(4) A separate, detailed cost estimate for

(i) the affected portions of the existing contract requirement and

(ii) the VECP.

The cost reduction associated with the VECP shall take into account the Contractor's allowable development and implementation costs, including any amount attributable to subcontracts under the Subcontracts paragraph of this clause, below.

- (5) A description and estimate of costs the Government may incur in implementing the VECP, such as test and evaluation and operating and support costs.
- (6) A prediction of any effects the proposed change would have on collateral costs to the agency.
- (7) A statement of the time by which a contract modification accepting the VECP must be issued in order to achieve the maximum cost reduction, noting any effect on the contract completion time or delivery schedule.
- (8) Identification of any previous submissions of the VECP, including the dates submitted, the agencies and contract numbers involved, and previous Government actions, if known.

(d) *Submission.* The Contractor shall submit VECP's to the Contracting Officer, unless this contract states otherwise. If this contract is administered by other than the contracting office, the Contractor shall submit a copy of the VECP simultaneously to the Contracting Officer and to the Administrative Contracting Officer.

(e) *Government action.*

(1) The Contracting Officer **[will]** notify the Contractor of the status of the VECP within 45 calendar days after the contracting office receives it. If additional time is required, the Contracting Officer **[will]** notify the Contractor within the 45-day period and provide the reason for the delay and the expected date of the decision. The Government will process VECP's expeditiously; however, it **[will]** not be liable for any delay in acting upon a VECP.

(2) If the VECP is not accepted, the Contracting Officer **[will]** notify the Contractor in writing, explaining the reasons for rejection. The Contractor may withdraw any VECP, in whole or in part, at any time before it is accepted by the Government. The Contracting Officer may require that the Contractor provide written notification before undertaking significant expenditures for VECP effort.

(3) Any VECP may be accepted, in whole or in part, by the Contracting Officer's award of a modification to this contract citing this clause and made either before or within a reasonable time after contract performance is completed. Until such a contract modification applies a VECP to this contract, the Contractor shall perform in accordance with the existing contract. The [ ] decision to accept or reject all or part of any VECP **[is a unilateral decision made solely at the discretion of the Contracting Officer.]**

(f) *Sharing rates.* If a VECP is accepted, the Contractor shall share in net acquisition savings according to the percentages shown in the table below. The percentage paid the Contractor depends upon --

- (1) This contract's type (fixed-price, incentive, or cost-reimbursement);
- (2) The sharing arrangement specified in paragraph (a) above (incentive, program requirement, or a combination as delineated in the Schedule); and
- (3) The source of the savings (the instant contract, or concurrent and future contracts), as follows:

#### CONTRACTOR'S SHARE OF NET ACQUISITION SAVINGS

(Figures in percent)

Contract Type	Incentive (Voluntary)		Program Requirement (Mandatory)	
	Instant Contract Rate	Concurrent and Future Contract Rate	Instant Contract Rate	Concurrent and Future Contract Rate
Fixed-price (includes fixed-price-award-fee; excludes other fixed-price incentive contracts)	(1) 50	(1) 50	(1) 25	25
Incentive (fixed-price or cost) (other than award fee)	(2)	(1) 50	(2)	25
Cost-reimbursement (includes cost-plus-award-fee; excludes other cost-type incentive Contracts)	(3) 25	(3) 25	15	15

(1) The Contracting Officer may increase the Contractor's sharing rate to as high as 75 percent for each VECP.

(2) Same sharing arrangement as the contract's profit or fee adjustment formula.

(3) The Contracting Officer may increase the Contractor's sharing rate to as high as 50 percent for each VECP.

(g) *Calculating net acquisition savings.*

(1) Acquisition savings are realized when

- (i) the cost or price is reduced on the instant contract,
- (ii) reductions are negotiated in concurrent contracts,
- (iii) future contracts are awarded, or
- (iv) agreement is reached on a lump-sum payment for future contract savings (see subparagraph (i)(4) below).

Net acquisition savings are first realized, and the Contractor shall be paid a share, when Government costs and any negative instant contract savings have been fully offset against acquisition savings.

(2) Except in incentive contracts, Government costs and any price or cost increases resulting from negative instant contract savings shall be offset against acquisition savings each time such savings are realized until they are fully offset. Then, the Contractor's share is calculated by multiplying net acquisition savings by the appropriate Contractor's percentage sharing rate (see paragraph (f) above). Additional Contractor shares of net acquisition savings shall be paid to the Contractor at the time realized.

(3) If this is an incentive contract, recovery of Government costs on the instant contract shall be deferred and offset against concurrent and future contract savings. The Contractor shall share through the contract incentive structure in savings on the instant contract items affected. Any negative instant contract savings shall be added to the target cost or to the target price and ceiling price, and the amount shall be offset against concurrent and future contract savings.

(4) If the Government does not receive and accept all items on which it paid the Contractor's share, the Contractor shall reimburse the Government for the proportionate share of these payments.

(h) *Contract adjustment.* The modification accepting the VECP (or a subsequent modification issued as soon as possible after any negotiations are completed) shall --

- (1) Reduce the contract price or estimated cost by the amount of instant contract savings, unless this is an incentive contract;
- (2) When the amount of instant contract savings is negative, increase the contract price, target price and ceiling price, target cost, or estimated cost by that amount;
- (3) Specify the Contractor's dollar share per unit on future contracts, or provide the lump-sum payment;
- (4) Specify the amount of any Government costs or negative instant contract savings to be offset in determining net acquisition savings realized from concurrent or future contract savings; and
- (5) Provide the Contractor's share of any net acquisition savings under the instant contract in accordance with the following:
  - (i) Fixed-price contracts -- add to contract price.
  - (ii) Cost-reimbursement contracts -- add to contract fee.

(i) *Concurrent and future contract savings.*

(1) Payments of the Contractor's share of concurrent and future contract savings shall be made by a modification to the instant contract in accordance with subparagraph (h)(5) above. For incentive contracts, shares shall be added as a separate firm-fixed-price line item on the instant contract. The Contractor shall maintain records adequate to identify the first delivered unit for 3 years after final payment under this contract.

(2) The Contracting Officer shall calculate the Contractor's share of concurrent contract savings by --

- (i) Subtracting from the reduction in price negotiated on the concurrent contract any Government costs or negative instant contract savings not yet offset; and
- (ii) Multiplying the result by the Contractor's sharing rate.

(3) The Contracting Officer shall calculate the Contractor's share of future contract savings by --

- (i) Multiplying the future unit cost reduction by the number of future contract units scheduled for delivery during the sharing period;
- (ii) Subtracting any Government costs or negative instant contract savings not yet offset; and
- (iii) Multiplying the result by the Contractor's sharing rate.

(4) When the Government wishes and the Contractor agrees, the Contractor's share of future contract savings may be paid in a single lump sum rather than in a series of payments over time as future contracts are awarded. Under this alternate procedure, the future contract savings may be calculated when the VECP is accepted, on the basis of the Contracting Officer's forecast of the number of units that will be delivered during the sharing period. The Contractor's share shall be included in a modification to this contract (see subparagraph (h)(3) above) and shall not be subject to subsequent adjustment.

(5) *Alternate no-cost settlement method.* When, in accordance with subsection 48.104-4 of the Federal Acquisition Regulation, the Government and the Contractor mutually agree to use the no-cost settlement method, the following applies:

- (i) The Contractor will keep all the savings on the instant contract and on its concurrent contracts only.
- (ii) The Government will keep all the savings resulting from concurrent contracts placed on other sources, savings from all future contracts, and all collateral savings.

(j) *Collateral savings.* If a VECP is accepted, **[the Contracting Officer will increase]** the instant contract amount[ ], as specified in paragraph (h)(5) of this clause, by a rate from 20 to 100 percent, as determined by the Contracting Officer, of any projected collateral savings determined to be realized in a typical year of use after subtracting any Government costs not previously offset. However, the Contractor's share of collateral savings **[will]** not exceed[ ] the contract's firm-fixed-price, target price, target cost, or estimated cost, at the time the VECP is accepted, or [ ] \$100,000, whichever is greater. The Contracting Officer **[will]** be the sole determiner of the amount of collateral savings[ ].

(k) *Relationship to other incentives.* Only those benefits of an accepted VECP not rewardable under performance, design-to-cost (production unit cost, operating and support costs, reliability and maintainability), or similar incentives shall be rewarded under this clause. However, the targets of such incentives affected by the VECP shall not be adjusted because of VECP acceptance. If this contract specifies targets but provides no incentive to surpass them, the value engineering sharing shall apply only to the amount of achievement better than target.

(l) *Subcontracts.* The Contractor shall include an appropriate value engineering clause in any subcontract of \$100,000 or more and may include one in subcontracts of lesser value. In calculating any adjustment in this contract's price for instant contract savings (or negative instant contract savings), the Contractor's allowable development and implementation costs shall include any subcontractor's allowable development and implementation costs, and any value engineering incentive payments to a subcontractor, clearly resulting from a VECP

accepted by the Government under this contract. The Contractor may choose any arrangement for subcontractor value engineering incentive payments; provided, that the payments shall not reduce the Government's share of concurrent or future contract savings or collateral savings.

(m) *Data.* The Contractor may restrict the Government's right to use any part of a VECP or the supporting data by marking the following legend on the affected parts:

These data, furnished under the Value Engineering clause of contract \_\_\_\_\_, shall not be disclosed outside the Government or duplicated, used, or disclosed, in whole or in part, for any purpose other than to evaluate a value engineering change proposal submitted under the clause. This restriction does not limit the Government's right to use information contained in these data if it has been obtained or is otherwise available from the Contractor or from another source without limitations. If a VECP is accepted, the Contractor hereby grants the Government unlimited rights in the VECP and supporting data, except that, with respect to data qualifying and submitted as limited rights technical data, the Government shall have the rights specified in the contract modification implementing the VECP and shall appropriately mark the data. (The terms "unlimited rights" and "limited rights" are defined in Part 27 of the Federal Acquisition Regulation.)

(End of Clause)

#### AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984) (FAR 52.252-6)

(a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.

(b) The use in this solicitation or contract of any Defense Federal Acquisition Regulation Supplement (48 CFR Chapter 2) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

#### SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS (AUG 2000) (DFARS 252.211-7005)

(a) \* \* \* Under SPI, these processes are reviewed and accepted by a Management Council, which includes representatives of the Contractor, the Defense Contract Management Agency, the Defense Contract Audit Agency, and the military departments.

(b) Offerors are encouraged to propose SPI processes in lieu of military or Federal specifications and standards cited in the solicitation. A listing of SPI processes accepted at specific facilities is available via the Internet in PDF format at [http://www.dcmc.hq.dla.mil/dcmc\\_o/oc/spi/files/dbreport/files/modified.pdf](http://www.dcmc.hq.dla.mil/dcmc_o/oc/spi/files/dbreport/files/modified.pdf) and in Excel format at [http://www.dcmc.hq.dla.mil/dcmc\\_o/oc/spi/files/dbreport/files/modified.xls](http://www.dcmc.hq.dla.mil/dcmc_o/oc/spi/files/dbreport/files/modified.xls).

#### IDENTIFICATION OF SOURCES OF SUPPLY (NOV 1995) (DFARS 252.217-7026)

(a) The Government is required under 10 U.S.C. 2384 to obtain certain information on the actual manufacturer or sources of supplies it acquires.

(b) The apparently successful Offeror agrees to complete and submit the following table before award:

TABLE						
	National	Commercial	Source of Supply			Actual
Line	Stock	Item	Company	Address	Part No.	Mfg?
<u>Items</u>	<u>Number</u>	<u>(Y or N)</u>				
(1)	(2)	(3)	(4)	(4)	(5)	(6)
(1) List each deliverable item of supply and item of technical data.						

(2) If there is no national stock number, list "none."
(3) Use "Y" if the item is a commercial item; otherwise use "N." If "Y" is listed, the Offeror need not complete the remaining columns in the table.
(4) For items of supply, list all sources. For technical data, list the source.
(5) For items of supply, list each source's part number for the item.
(6) Use "Y" if the source of supply is the actual manufacturer; "N" if it is not; and "U" if unknown.

#### CONTRACT DEFINITIZATION (OCT 1998) (DFARS 252.217-7027)

a) A \_\_\_\_\_ (*insert specific type of contract action*) is contemplated. The Contractor agrees to begin promptly negotiating with the Contracting Officer the terms of a definitive contract that will include (1) all clauses required by the Federal Acquisition Regulation (FAR) on the date of execution of the undefinitized contract action, (2) all clauses required by law on the date of execution of the definitive contract action, and (3) any other mutually agreeable clauses, terms, and conditions. The Contractor agrees to submit a \_\_\_\_\_ (*insert type of proposal; e.g., fixed-price or cost-and-fee*) proposal and cost or pricing data supporting its proposal.

(b) The schedule for definitizing this contract action is as follows (*insert target date for definitization of the contract action and dates for submission of proposal, beginning of negotiations, and, if appropriate, submission of the make-or-buy and subcontracting plans and cost or pricing data*):


(c) If agreement on a definitive contract action to supersede this undefinitized contract action is not reached by the target date in paragraph (b) of this clause, or within any extension of it granted by the Contracting Officer, the Contracting Officer may, with the approval of the head of the contracting activity, determine a reasonable price or fee in accordance with Subpart 15.4 and Part 31 of the FAR, subject to Contractor appeal as provided in the Disputes clause. In any event, the Contractor shall proceed with completion of the contract, subject only to the Limitation of Government Liability clause.

(1) After the Contracting Officer's determination of price or fee, the contract shall be governed by-

(i) All clauses required by the FAR on the date of execution of this undefinitized contract action for either fixed-price or cost-reimbursement contracts, as determined by the Contracting Officer under this paragraph (c);

(ii) All clauses required by law as of the date of the Contracting Officer's determination; and

(iii) Any other clauses, terms, and conditions mutually agreed upon.

(2) To the extent consistent with paragraph (c)(1) of this clause, all clauses, terms, and conditions included in this undefinitized contract action shall continue in effect, except those that by their nature apply only to an undefinitized contract action.

(d) The definitive contract resulting from this undefinitized contract action will include a negotiated \_\_\_\_\_ (*insert "cost/price ceiling" or "firm-fixed price"*) in no event to exceed \_\_\_\_\_ (*insert the not-to-exceed amount*).

#### SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (TEST PROGRAM) (JUN 1997) (DFARS 252.219-7004)

(a) Definition.

"Subcontract," as used in this clause, means any agreement (other than one involving an employer-employee relationship) entered into by a Government prime Contractor or subcontractor calling for supplies or services required for performance of the contract or subcontract.

(b) The Offeror's comprehensive small business subcontracting plan and its successors, which are authorized by and approved under the test program of Section 834 of Pub. L. 101-189, as amended, shall be included in and made a part of the resultant contract. Upon expulsion from the test program or expiration of the test program, the Contractor shall negotiate an individual subcontracting plan for all future contracts that meet the requirements of Section 211 of Pub. L. 95-507.

(c) The Contractor shall submit Standard Form 295, Summary Subcontract Report, in accordance with the instructions on the form, except--

(1) One copy of the SF 295 and attachments shall be submitted to Director, Small and Disadvantaged Business Utilization, Office of the Deputy Under Secretary of Defense (International and Commercial Programs), 3061 Defense Pentagon, Room 2A338, Washington, DC 20301-3061; and

(2) Item 14, Remarks, shall be completed to include semi-annual cumulative--

(i) small business, small disadvantaged business, and women-owned small business goals, and

(ii) small business and small disadvantaged business goals, actual accomplishments, and percentages for each of the two designated industry categories.

(d) The failure of the Contractor or subcontractor to comply in good faith with (1) the clause of this contract entitled "Utilization of Small, Small Disadvantaged and Women-Owned Small Business Concerns," or (2) an approved plan required by this clause, shall be a material breach of the contract.

#### RESTRICTION ON CONTINGENT FEES FOR FOREIGN MILITARY SALES (MAR 1998) (DFAR 252.225-7027)

(a) Except as provided in paragraph (b) of this clause, contingent fees, as defined in the Covenant Against Contingent Fees clause of this contract, are generally an allowable cost, provided the fees are paid to a bona fide employee of the Contractor or to a bona fide established commercial or selling agency maintained by the Contractor for the purpose of securing business.

(b) For foreign military sales, unless the contingent fees have been identified and payment approved in writing by the foreign customer before contract award, the following contingent fees are unallowable under this contract:

(1) For sales to the Government(s) of \_\_\_\_\_, contingent fees in any amount.

(2) For sales to Governments not listed in paragraph (b)(1) of this clause, contingent fees exceeding \$50,000 per foreign military sale case.

#### RIGHTS IN TECHNICAL DATA--NONCOMMERCIAL ITEMS (NOV 1995) (DFAR 252.227-7013)

(a) *Definitions.* As used in this clause:

(1) "Computer data base" means a collection of data recorded in a form capable of being processed by a computer. The term does not include computer software.

(2) "Computer program" means a set of instructions, rules, or routines recorded in a form that is capable of causing a computer to perform a specific operation or series of operations.

(3) "Computer software" means computer programs, source code, source code listings, object code listings, design details, algorithms, processes, flow charts, formulae and related material that would enable the software to be reproduced, recreated, or recompiled. Computer software does not include computer data bases or computer software documentation.

(4) "Computer software documentation" means owner's manuals, user's manuals, installation instructions, operating instructions, and other similar items, regardless of storage medium, that explain the capabilities of the computer software or provide instructions for using the software.

(5) "Detailed manufacturing or process data" means technical data that describe the steps, sequences, and conditions of manufacturing, processing or assembly used by the manufacturer to produce an item or component or to perform a process.

(6) "Developed" means that an item, component, or process exists and is workable. Thus, the item or component must have been constructed or the process practiced. Workability is generally established when the item, component, or process has been analyzed or tested sufficiently to demonstrate to reasonable people skilled in the applicable art that there is a high probability that it will operate as intended. Whether, how much, and what type of analysis or testing is required to establish workability depends on the nature of the item, component, or process, and the state of the art. To be considered "developed," the item, component, or process need not be at the stage where it could be offered for sale or sold on the commercial market, nor must the item, component, or process be actually reduced to practice within the meaning of Title 35 of the United States Code.

(7) "Developed exclusively at private expense" means development was accomplished entirely with costs charged to indirect cost pools, costs not allocated to a government contract, or any combination thereof.

(i) Private expense determinations should be made at the lowest practicable level.

(ii) Under fixed-price contracts, when total costs are greater than the firm-fixed-price or ceiling price of the contract, the additional development costs necessary to complete development shall not be considered when determining whether development was at government, private, or mixed expense.

(8) "Developed exclusively with government funds" means development was not accomplished exclusively or partially at private expense.

(9) "Developed with mixed funding" means development was accomplished partially with costs charged to indirect cost pools and/or costs not allocated to a government contract, and partially with costs charged directly to a government contract.

(10) "Form, fit, and function data" means technical data that describes the required overall physical, functional, and performance characteristics (along with the qualification requirements, if applicable) of an item, component, or process to the extent necessary to permit identification of physically and functionally interchangeable items.

(11) "Government purpose" means any activity in which the United States Government is a party, including cooperative agreements with international or multi-national defense organizations, or sales or transfers by the United States Government to foreign governments or international organizations. Government purposes include competitive procurement, but do not include the rights to use, modify, reproduce, release, perform, display, or disclose technical data for commercial purposes or authorize others to do so.

(12) "Government purpose rights" means the rights to-

(i) Use, modify, reproduce, release, perform, display, or disclose technical data within the Government without restriction; and

(iii) Release or disclose technical data outside the Government and authorize persons to whom release or disclosure has been made to use, modify, reproduce, release, perform, display, or disclose that data for United States government purposes.

(13) "Limited rights" means the rights to use, modify, reproduce, release, perform, display, or disclose technical data, in whole or in part, within the Government. The Government may not, without the written permission of the party asserting limited rights, release or disclose the technical data outside the Government, use the technical data for manufacture, or authorize the technical data to be used by another party, except that the Government may reproduce, release or disclose such data or authorize the use or reproduction of the data by persons outside the Government if reproduction, release, disclosure, or use is-

(i) Necessary for emergency repair and overhaul; or

(ii) A release or disclosure of technical data (other than detailed manufacturing or process data) to, or use of such data by, a foreign government that is in the interest of the Government and is required for evaluational or informational purposes;

(iii) Subject to a prohibition on the further reproduction, release, disclosure, or use of the technical data; and

(iv) The contractor or subcontractor asserting the restriction is notified of such reproduction, release, disclosure, or use.

(14) "Technical data" means recorded information, regardless of the form or method of the recording, of a scientific or technical nature (including computer software documentation). The term does not include computer software or data incidental to contract administration, such as financial and/or management information.

(15) "Unlimited rights" means rights to use, modify, reproduce, perform, display, release, or disclose technical data in whole or in part, in any manner, and for any purpose whatsoever, and to have or authorize others to do so.

(b) *Rights in technical data.* The Contractor grants or shall obtain for the Government the following royalty free, world-wide, nonexclusive, irrevocable license rights in technical data other than computer software documentation (see the Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation clause of this contract for rights in computer software documentation):

(1) Unlimited rights. The Government shall have unlimited rights in technical data that are-

(i) Data pertaining to an item, component, or process which has been or will be developed exclusively with Government funds;

(ii) Studies, analyses, test data, or similar data produced for this contract, when the study, analysis, test, or similar work was specified as an element of performance;

(iii) Created exclusively with Government funds in the performance of a contract that does not require the development, manufacture, construction, or production of items, components, or processes;

(iv) Form, fit, and function data;

(v) Necessary for installation, operation, maintenance, or training purposes (other than detailed manufacturing or process data);

(vi) Corrections or changes to technical data furnished to the Contractor by the Government;

(vii) Otherwise publicly available or have been released or disclosed by the Contractor or subcontractor without restrictions on further use, release or disclosure, other than a release or disclosure resulting from the sale, transfer, or other assignment of interest in the technical data to another party or the sale or transfer of some or all of a business entity or its assets to another party;

(viii) Data in which the Government has obtained unlimited rights under another Government contract or as a result of negotiations; or

(ix) Data furnished to the Government, under this or any other Government contract or subcontract thereunder, with-

(A) Government purpose license rights or limited rights and the restrictive condition(s) has/have expired; or

(B) Government purpose rights and the Contractor's exclusive right to use such data for commercial purposes has expired.

(2) Government purpose rights.

(i) The Government shall have government purpose rights for a five-year period, or such other period as may be negotiated, in technical data-

(A) That pertain to items, components, or processes developed with mixed funding except when the Government is entitled to unlimited rights in such data as provided in paragraphs (b)(ii) and (b)(iv) through (b)(ix) of this clause; or

(B) Created with mixed funding in the performance of a contract that does not require the development, manufacture, construction, or production of items, components, or processes.

(ii) The five-year period, or such other period as may have been negotiated, shall commence upon execution of the contract, subcontract, letter contract (or similar contractual instrument), contract modification, or option exercise that

required development of the items, components, or processes or creation of the data described in paragraph (b)(2)(i)(B) of this clause. Upon expiration of the five-year or other negotiated period, the Government shall have unlimited rights in the technical data.

- (iii) The Government shall not release or disclose technical data in which it has government purpose rights unless-
  - (A) Prior to release or disclosure, the intended recipient is subject to the non-disclosure agreement at 227.7103-7 of the Defense Federal Acquisition Regulation Supplement (DFARS); or
  - (B) The recipient is a Government contractor receiving access to the data for performance of a Government contract that contains the clause at DFARS 252.227-7025, Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends.
- (iv) The Contractor has the exclusive right, including the right to license others, to use technical data in which the Government has obtained government purpose rights under this contract for any commercial purpose during the time period specified in the government purpose rights legend prescribed in paragraph (f)(2) of this clause.

(3) Limited rights.

(i) Except as provided in paragraphs (b)(1)(ii) and (b)(1)(iv) through (b)(1)(ix) of this clause, the Government shall have limited rights in technical data-

- (A) Pertaining to items, components, or processes developed exclusively at private expense and marked with the limited rights legend prescribed in paragraph (f) of this clause; or
- (B) Created exclusively at private expense in the performance of a contract that does not require the development, manufacture, construction, or production of items, components, or processes.
- (ii) The Government shall require a recipient of limited rights data for emergency repair or overhaul to destroy the data and all copies in its possession promptly following completion of the emergency repair/overhaul and to notify the Contractor that the data have been destroyed.
- (iii) The Contractor, its subcontractors, and suppliers are not required to provide the Government additional rights to use, modify, reproduce, release, perform, display, or disclose technical data furnished to the Government with limited rights. However, if the Government desires to obtain additional rights in technical data in which it has limited rights, the Contractor agrees to promptly enter into negotiations with the Contracting Officer to determine whether there are acceptable terms for transferring such rights. All technical data in which the Contractor has granted the Government additional rights shall be listed or described in a license agreement made part of the contract. The license shall enumerate the additional rights granted the Government in such data.

(4) Specifically negotiated license rights. The standard license rights granted to the Government under paragraphs (b)(1) through (b)(3) of this clause, including the period during which the Government shall have government purpose rights in technical data, may be modified by mutual agreement to provide such rights as the parties consider appropriate but shall not provide the Government lesser rights than are enumerated in paragraph (a)(13) of this clause. Any rights so negotiated shall be identified in a license agreement made part of this contract.

(5) Prior government rights. Technical data that will be delivered, furnished, or otherwise provided to the Government under this contract, in which the Government has previously obtained rights shall be delivered, furnished, or provided with the pre-existing rights, unless-

- (i) The parties have agreed otherwise; or
- (ii) Any restrictions on the Government's rights to use, modify, reproduce, release, perform, display, or disclose the data have expired or no longer apply.

(6) Release from liability. The Contractor agrees to release the Government from liability for any release or disclosure of technical data made in accordance with paragraph (a)(13) or (b)(2)(iii) of this clause, in accordance with the terms of a license negotiated under paragraph (b)(4) of this clause, or by others to whom the recipient has released or disclosed the data and to seek relief solely from the party who has improperly used, modified, reproduced, released, performed, displayed, or disclosed Contractor data marked with restrictive legends.

(c) *Contractor rights in technical data.* All rights not granted to the Government are retained by the Contractor.

(d) *Third party copyrighted data.* The Contractor shall not, without the written approval of the Contracting Officer, incorporate any copyrighted data in the technical data to be delivered under this contract unless the Contractor is the copyright owner or has obtained for the Government the license rights necessary to perfect a license or licenses in the deliverable data of the appropriate scope set forth in paragraph (b) of this clause, and has affixed a statement of the license or licenses obtained on behalf of the Government and other persons to the data transmittal document.

(e) *Identification and delivery of data to be furnished with restrictions on use, release, or disclosure.*

- (1) This paragraph does not apply to restrictions based solely on copyright.
- (2) Except as provided in paragraph (e)(3) of this clause, technical data that the Contractor asserts should be furnished to the Government with restrictions on use, release, or disclosure are identified in an attachment to this contract (the Attachment). The



Contractor shall not deliver any data with restrictive markings unless the data are listed on the Attachment.

(3) In addition to the assertions made in the Attachment, other assertions may be identified after award when based on new information or inadvertent omissions unless the inadvertent omissions would have materially affected the source selection decision. Such identification and assertion shall be submitted to the Contracting Officer as soon as practicable prior to the scheduled date for delivery of the data, in the following format, and signed by an official authorized to contractually obligate the Contractor:

Identification and Assertion of Restrictions on the Government's Use, Release,  
or Disclosure of Technical Data.

The Contractor asserts for itself, or the persons identified below, that the Government's rights to use, release, or disclose the following technical data should be restricted-

Technical Data to be Furnished	Basis for Assertion**	Asserted Rights Category***	Name of Person Asserting Restrictions****
With Restrictions*			
(LIST)	(LIST)	(LIST)	(LIST)

\*If the assertion is applicable to items, components, or processes developed at private expense, identify both the data and each such item, component, or process.

\*\*Generally, the development of an item, component, or process at private expense, either exclusively or partially, is the only basis for asserting restrictions on the Government's rights to use, release, or disclose technical data pertaining to such items, components, or processes. Indicate whether development was exclusively or partially at private expense. If development was not at private expense, enter the specific reason for asserting that the Government's rights should be restricted.

\*\*\*Enter asserted rights category (e.g., government purpose license rights from a prior contract, rights in SBIR data generated under another contract, limited or government purpose rights under this or a prior contract, or specifically negotiated licenses).

\*\*\*\*Corporation, individual, or other person, as appropriate.

Date

Printed Name and Title

Signature

(End of identification and assertion)

(4) When requested by the Contracting Officer, the Contractor shall provide sufficient information to enable the Contracting Officer to evaluate the Contractor's assertions. The Contracting Officer reserves the right to add the Contractor's assertions to the Attachment and validate any listed assertion, at a later date, in accordance with the procedures of the Validation of Restrictive Markings on Technical Data clause of this contract.

(f) *Marking requirements.* The Contractor, and its subcontractors or suppliers, may only assert restrictions on the Government's rights to use, modify, reproduce, release, perform, display, or disclose technical data to be delivered under this contract by marking the deliverable data subject to restriction. Except as provided in paragraph (f)(5) of this clause, only the following legends are authorized under this contract: the government purpose rights legend at paragraph (f)(2) of this clause; the limited rights legend at paragraph (f)(3) of this clause; or the special license rights legend at paragraph (f)(4) of this clause; and/or a notice of copyright as prescribed under 17 U.S.C. 401 or 402.

(1) General marking instructions. The Contractor, or its subcontractors or suppliers, shall conspicuously and legibly mark the appropriate legend on all technical data that qualify for such markings. The authorized legends shall be placed on the transmittal document or storage container and, for printed material, each page of the printed material containing technical data for which restrictions are asserted. When only portions of a page of printed material are subject to the asserted restrictions, such portions shall be identified by circling, underscoring, with a note, or other appropriate identifier. Technical data transmitted directly from one computer or computer terminal to another shall contain a notice of asserted restrictions. Reproductions of technical data or any portions thereof subject to asserted restrictions shall also reproduce the asserted restrictions.

(2) Government purpose rights markings. Data delivered or otherwise furnished to the Government with government purpose rights shall be marked as follows:

GOVERNMENT PURPOSE RIGHTS

Contract No.

Contractor Name

Contractor Address

Expiration Date

The Government's rights to use, modify, reproduce, release, perform, display, or disclose these technical data are restricted by paragraph (b)(2) of the Rights in Technical Data-Noncommercial Items clause contained in the above identified contract. No restrictions apply after the expiration date shown above. Any reproduction of technical data or portions thereof marked with this legend must also reproduce the markings.

(End of legend)

(3) Limited rights markings. Data delivered or otherwise furnished to the Government with limited rights shall be marked with the following legend:

#### LIMITED RIGHTS

Contract No.

Contractor Name

Contractor Address

The Government's rights to use, modify, reproduce, release, perform, display, or disclose these technical data are restricted by paragraph (b)(3) of the Rights in Technical Data--Noncommercial Items clause contained in the above identified contract. Any reproduction of technical data or portions thereof marked with this legend must also reproduce the markings. Any person, other than the Government, who has been provided access to such data must promptly notify the above named Contractor.

(End of legend)

(4) Special license rights markings.

(i) Data in which the Government's rights stem from a specifically negotiated license shall be marked with the following legend:

#### SPECIAL LICENSE RIGHTS

The Government's rights to use, modify, reproduce, release, perform, display, or disclose these data are restricted by Contract No. \_\_\_\_ (Insert contract number) \_\_\_\_, License No. \_\_\_\_ (Insert license identifier) \_\_\_\_\_. Any reproduction of technical data or portions thereof marked with this legend must also reproduce the markings.

(End of legend)

(ii) For purposes of this clause, special licenses do not include government purpose license rights acquired under a prior contract (see paragraph (b)(5) of this clause).

(5) Pre-existing data markings. If the terms of a prior contract or license permitted the Contractor to restrict the Government's rights to use, modify, reproduce, release, perform, display, or disclose technical data deliverable under this contract, and those restrictions are still applicable, the Contractor may mark such data with the appropriate restrictive legend for which the data qualified under the prior contract or license. The marking procedures in paragraph (f)(1) of this clause shall be followed.

(g) *Contractor procedures and records*. Throughout performance of this contract, the Contractor and its subcontractors or suppliers that will deliver technical data with other than unlimited rights, shall-

(1) Have, maintain, and follow written procedures sufficient to assure that restrictive markings are used only when authorized by the terms of this clause; and

(2) Maintain records sufficient to justify the validity of any restrictive markings on technical data delivered under this contract.

(h) *Removal of unjustified and nonconforming markings*.

(1) Unjustified technical data markings. The rights and obligations of the parties regarding the validation of restrictive markings on technical data furnished or to be furnished under this contract are contained in the Validation of Restrictive Markings on Technical Data clause of this contract. Notwithstanding any provision of this contract concerning inspection and acceptance, the Government may ignore or, at the Contractor's expense, correct or strike a marking if, in accordance with the procedures in the Validation of Restrictive Markings on Technical Data clause of this contract, a restrictive marking is determined to be unjustified.

(2) Nonconforming technical data markings. A nonconforming marking is a marking placed on technical data delivered or otherwise furnished to the Government under this contract that is not in the format authorized by this contract. Correction of nonconforming markings is not subject to the Validation of Restrictive Markings on Technical Data clause of this contract. If the Contracting Officer notifies the Contractor of a nonconforming marking and the Contractor fails to remove or correct such marking within sixty (60) days, the Government may ignore or, at the Contractor's expense, remove or correct any nonconforming marking.

(i) *Relation to patents*. Nothing contained in this clause shall imply a license to the Government under any patent or be construed as

affecting the scope of any license or other right otherwise granted to the Government under any patent.

(j) *Limitation on charges for rights in technical data.*

(1) The Contractor shall not charge to this contract any cost, including, but not limited to, license fees, royalties, or similar charges, for rights in technical data to be delivered under this contract when-

- (i) The Government has acquired, by any means, the same or greater rights in the data; or
- (ii) The data are available to the public without restrictions.

(2) The limitation in paragraph (j)(1) of this clause-

- (i) Includes costs charged by a subcontractor or supplier, at any tier, or costs incurred by the Contractor to acquire rights in subcontractor or supplier technical data, if the subcontractor or supplier has been paid for such rights under any other Government contract or under a license conveying the rights to the Government; and
- (ii) Does not include the reasonable costs of reproducing, handling, or mailing the documents or other media in which the technical data will be delivered.

(k) *Applicability to subcontractors or suppliers.*

(1) The Contractor shall ensure that the rights afforded its subcontractors and suppliers under 10 U.S.C. 2320, 10 U.S.C. 2321, and the identification, assertion, and delivery processes of paragraph (e) of this clause are recognized and protected.

(2) Whenever any technical data for noncommercial items is to be obtained from a subcontractor or supplier for delivery to the Government under this contract, the Contractor shall use this same clause in the subcontract or other contractual instrument, and require its subcontractors or suppliers to do so, without alteration, except to identify the parties. No other clause shall be used to enlarge or diminish the Government's, the Contractor's, or a higher-tier subcontractor's or supplier's rights in a subcontractor's or supplier's technical data.

(3) Technical data required to be delivered by a subcontractor or supplier shall normally be delivered to the next higher-tier contractor, subcontractor, or supplier. However, when there is a requirement in the prime contract for data which may be submitted with other than unlimited rights by a subcontractor or supplier, then said subcontractor or supplier may fulfill its requirement by submitting such data directly to the Government, rather than through a higher-tier contractor, subcontractor, or supplier.

(4) The Contractor and higher-tier subcontractors or suppliers shall not use their power to award contracts as economic leverage to obtain rights in technical data from their subcontractors or suppliers.

(5) In no event shall the Contractor use its obligation to recognize and protect subcontractor or supplier rights in technical data as an excuse for failing to satisfy its contractual obligation to the Government.

(End of clause)

#### LIMITATION OF GOVERNMENT'S OBLIGATION (AUG 1993) (DFAR 252.232-7007)

(a) Contract line item(s) \_\_\_\_\* through \_\_\_\_\* are incrementally funded. For these item(s), the sum of \$\_\_\_\_\* of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (i) of this clause.

(b) For item(s) identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those item(s) for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor will not be obligated to continue work on those item(s) beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract those item(s) regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line item(s) for convenience includes costs, profit, and estimated termination settlement costs for those item(s).

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (i) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable item(s). The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (i) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the item(s) funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (i) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any item(s) for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line item(s) identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line item(s) identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the item(s), or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line item(s) identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line item(s) set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) The parties contemplate that the Government will allot funds to this contract in accordance with the following schedule:

On execution of contract	\$
(month)(day), 199x	\$
(month)(day), 199y	\$
(month)(day), 199z	\$

#### ENGINEERING CHANGE PROPOSALS (SEP 1999) (DFARS 252.243-7000)

(a) The Contracting Officer may ask the Contractor to prepare engineering change proposals for engineering changes within the scope of this contract. Upon receipt of a written request from the Contracting Officer, the Contractor shall prepare and submit an engineering change proposal in accordance with the instructions of MIL-STD-973, in effect on the date of contract award.

(b) The Contractor may initiate engineering change proposals. Contractor initiated engineering change proposals shall include a "not to exceed" price\* or a "not less than" price\* and delivery adjustment. If the Contracting Officer orders the engineering change, the increase shall not exceed nor the decrease be less than the "not to exceed" or "not less than" amounts\*\*.

(c) When the price\* of the engineering change is \$500,000 or more, the Contractor shall submit-

- (1) A contract pricing proposal using the format in Table 15-2, Section 15.408, of the Federal Acquisition Regulation; and
- (2) At the time of agreement on price\*, or on another date agreed upon between the parties, a signed Certificate of Current Cost or Pricing Data.

#### STANDARD COMMERCIAL WARRANTY (6001)

The contractor shall extend to the Government the full coverage of any standard commercial warranty normally offered in a similar commercial sale, provided such warranty is available at no additional cost to the Government. Acceptance of the standard commercial warranty does not waive the Government's rights under the "Inspection" clause nor does it limit the Government's rights with regard to the other terms and conditions of this contract. In the event of a conflict, the terms and conditions of the contract shall take precedence over the standard commercial warranty. The standard commercial warranty period shall begin upon final acceptance of the applicable material and/or services listed in the Schedule.

The contractor shall provide a copy of its standard commercial warranty (if applicable) with its offer. The warranty covers a period of      months. (Offeror is to insert number.)

#### PERFORMANCE EVALUATION (6008)

The Government will evaluate the performance of the contractor awarded the contract resulting from this solicitation, in accordance with FAR 42.15. The following performance rating factors will be utilized:

Quality; Cost Control; Timeliness of Performance; Business Relations; Customer Satisfaction



## SECTION "J" - LIST OF ATTACHMENTS

Exhibit "A" - Contract Data Requirements List (CDRL):

[illegible]

**SECTION "K" - REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS**

- I. FEDERAL ACQUISITION REGULATION (FAR) (48 CFR CHAPTER 1) PROVISIONS  
 II. DEFENSE FAR SUPPLEMENT (DFARS) (48 CFR CHAPTER 2) PROVISIONS

PART I		
<u>FAR Subsection</u>	<u>Title</u>	<u>Date</u>
52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions	Apr 1991
PART II		
<u>DFARS Subsection</u>		

**PROVISIONS IN FULL TEXT****CERTIFICATE OF INDEPENDENT PRICE DETERMINATION (APR 1985) (FAR 52.203-2)**

(a) The offeror certifies that--

(1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered;

(2) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory--

(1) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or

(2)(i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above \_\_\_\_\_ (insert full name of person(s) in the offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the offeror's organization);

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the offeror deletes or modifies subparagraph (a)(2) above, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

**TAXPAYER IDENTIFICATION (OCT 1998) (FAR 52.204-3)**

(a) *Definitions.*

"Common parent," as used in this solicitation provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the offeror is a member.

"Taxpayer Identification Number (TIN)," as used in this solicitation provision, means the number required by the Internal Revenue Service (IRS) to be used by the offeror in reporting income tax and other returns. The TIN may be either a Social Security Number or an Employer Identification Number.

(b) All offerors must submit the information required in paragraphs (d) through (f) of this provision to comply with debt collection

requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the IRS. If the resulting contract is subject to the payment reporting requirements described in Federal

Acquisition Regulation (FAR) 4.904, the failure or refusal by the offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.

(c) The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.

(d) *Taxpayer Identification Number (TIN).*

( ) TIN: \_\_\_\_\_.

( ) TIN has been applied for.

( ) TIN is not required because:

( ) Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the U.S. and does not have an office or place of business or a fiscal paying agent in the U.S.;

( ) Offeror is an agency or instrumentality of a foreign government;

( ) Offeror is an agency or instrumentality of the Federal Government.

(e) *Type of organization.*

( ) Sole proprietorship;

( ) Partnership;

( ) Corporate entity (not tax-exempt);

( ) Corporate entity (tax-exempt);

( ) Government entity (Federal, State, or local);;

( ) Foreign government;

( ) International organization per 26 CFR 1.6049-4;

( ) Other \_\_\_\_\_.

(f) *Common Parent.*

( ) Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this provision.

( ) Name and TIN of common parent::

Name \_\_\_\_\_

TIN \_\_\_\_\_

#### WOMEN-OWNED BUSINESS [OTHER THAN SMALL BUSINESS (MAY 1999) (FAR 52.204-5)]

(a) *[Definition.* Women-owned business concern, as used in this provision, means a concern that is at least 51 percent owned by one or more women; or in the case of any publicly owned business, at least 51 percent of its stock is owned by one or more women; and whose management and daily business operations are controlled by one or more women.]

(b) *[Representation.* [Complete only if the offeror is a women-owned business concern and has not represented itself as a small business concern in paragraph (b)(1) of FAR 52.219-1, Small Business Program Representation, of this solicitation.] The offeror represents that it [ ] is, [ ] is not a women-owned business concern.]

#### ECONOMIC PURCHASE QUANTITY--SUPPLIES (AUG 1987) (FAR 52.207-4)

(a) Offerors are invited to state an opinion on whether the quantity(ies) of supplies on which bids, proposals or quotes are requested in this solicitation is (are) economically advantageous to the Government.

\_\_\_\_\_ (b) Each offeror who believes that acquisitions in different quantities would be more advantageous is invited to recommend an economic purchase quantity. If different quantities are recommended, a total and a unit price must be quoted for applicable items. An economic purchase quantity is that quantity at which a significant price break occurs. If there are significant price breaks at different quantity points, this information is desired as well.

#### OFFEROR RECOMMENDATIONS

<u>ITEM</u>	<u>QUANTITY</u>	<u>PRICE QUOTATION</u>	<u>TOTAL</u>
-------------	-----------------	----------------------------	--------------

\_\_\_\_\_ (c) The information requested in this provision is being solicited to avoid acquisitions in disadvantageous quantities and to assist the Government in developing a database for future acquisitions of these items. However, the Government reserves the right to amend or cancel the solicitation and resolicit with respect to any individual item in the event quotations received and the Government's requirements indicate that different quantities should be acquired.



CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS (APR 2001)(FAR 52.209-5)

(a)

(1) The Offeror certifies, to the best of its knowledge and belief, that --

(i) The Offeror and/or any of its Principals --

(A) Are \_\_\_ are not \_\_\_ presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have \_\_\_ have not \_\_\_, within the three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property;

(C) Are \_\_\_ are not \_\_\_ presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision; (D) Have \_\_\_ have not \_\_\_, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and (E) Are \_\_\_ are not \_\_\_ presently indicted for or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision,

(ii)

(A) The offeror, aside from the offenses enumerated in paragraphs (a)(1)(i)(A), (B), and (C) of this provision, has \_\_\_ has not \_\_\_ within the past three-years, relative to tax, labor and employment, environmental, antitrust, or consumer protection laws-

(1) Been convicted of a Federal or State felony (or has any Federal or State felony indictments currently pending against them); or

(2) Had a Federal court judgment in a civil case brought by the United States rendered against them; or

(3) Had an adverse decision by a Federal administrative law judge, board, or commission indicating a willful violation of law.

(B) If the offeror has responded affirmatively, the offeror shall provide additional information if requested by the Contracting Officer; and

(iii) The Offeror has \_\_\_ has not \_\_\_, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

This Certification Concerns a Matter Within the Jurisdiction of an Agency of the United States and the Making of a False, Fictitious, or Fraudulent Certification May Render the Maker Subject to Prosecution Under Section 1001, Title 18, United States Code.

(b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

(End of Provision)

## PLACE OF PERFORMANCE (OCT 1997) (FAR 52.215-06)

(a) The offeror or respondent, in the performance of any contract resulting from this solicitation, ( ) intends, ( ) does not intend (check applicable block) to use one or more plants or facilities located at a different address from the address of the offeror or respondent as indicated in this proposal or response to request for information.

(b) If the offeror or respondent checks "intends" in paragraph (a) of this provision, it shall insert in the spaces provided the required information:

Place of Performance (Street, Address  
City, County, State, Zip Code)

Name and Address of Owner and Operator of the Plant or  
Facility if Other Than Offeror or Respondent

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## ANNUAL REPRESENTATIONS AND CERTIFICATIONS--NEGOTIATION (OCT 1997)(FAR 52.215-07)

The offeror has (check the appropriate block):

( ) (a) Submitted to the contracting office issuing this solicitation, annual representations and certifications dated \_\_\_\_\_ [insert date of signature on submission], which are incorporated herein by reference, and are current, accurate, and complete as of the date of this proposal, except as follows [insert changes that affect only this solicitation; if "none", so state]:

\_\_\_\_\_  
( ) (b) Enclosed its annual representations and certifications.

## SMALL BUSINESS PROGRAM REPRESENTATIONS (FAR 52.219-1) (MAY 2001)

(a)

(1) The North American Industry Classification System (NAICS) code for this acquisition is \_\_\_\_\_ [insert NAICS code].

(2) The small business size standard is \_\_\_\_\_ [insert size standard].

(3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b) *Representations.*

(1) The offeror represents as part of its offer that it \* is, \* is not a small business concern.

(2) (Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.) The offeror represents, for general statistical purposes, that it \* is, \* is not, a small disadvantaged business concern as defined in 13 CFR 124.1002.

(3) (Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.) The offeror represents as part of its offer that it \* is, \* is not a women-owned small business concern.

(4) (Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.) The offeror represents as part of its offer that it \* is, \* is not a veteran-owned small business concern.

(5) (Complete only if the offeror represented itself as a veteran-owned small business concern in paragraph (b)(4) of this provision.) The offeror represents as part of its offer that it \* is, \* is not a service-disabled veteran-owned small business concern.

(c) *Definitions.* As used in this provision--

"Service-disabled veteran-owned small business concern"--

(1) Means a small business concern--

(i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and

(ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

(2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

"Small business concern," means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and the size standard in paragraph (a) of this provision.

"Veteran-owned small business concern" means a small business concern--

(1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and

(2) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned small business concern," means a small business concern --

(1) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

(2) Whose management and daily business operations are controlled by one or more women.

(d) *Notice.*

(1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.

(2) Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small, HUBZone small, small disadvantaged, or women-owned small business concern in order to obtain a contract to be awarded under the preference programs established pursuant to section 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall --

(i) Be punished by imposition of fine, imprisonment, or both;

(ii) Be subject to administrative remedies, including suspension and debarment; and

(iii) Be ineligible for participation in programs conducted under the authority of the Act.

(End of Provision)

CERTIFICATION REGARDING KNOWLEDGE OF CHILD LABOR FOR LISTED END PRODUCTS (FEB 2001)(FAR 52.222-18)

(a) Definition. Forced or indentured child labor means all work or service--

(1) Exacted from any person under the age of 18 under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily; or

(2) Performed by any person under the age of 18 pursuant to a contract the enforcement of which can be accomplished by process or penalties.

(b) Listed end products. The following end product(s) being acquired under this solicitation is (are) included in the List of Products Requiring Contractor Certification as to Forced or Indentured Child Labor, identified by their country of origin. There is a reasonable basis to believe that listed endproducts from the listed countries of origin may have been mined, produced, or manufactured by forced or indentured child labor.

Listed End Product:	Listed Countries of Origin:

(c) Certification. The Government will not make award to an offeror unless the offeror, by checking the appropriate block, certifies to either paragraph (c)(1) or paragraph (c)(2) of this provision.

[ ] (1) The offeror will not supply any end product listed in paragraph (b) of this provision that was mined, produced, or manufactured in a corresponding country as listed for that end product.

[ ] (2) The offeror may supply an end product listed in paragraph (b) of this provision that was mined, produced, or manufactured in the corresponding country as listed for that product. The offeror certifies that it has made a good faith effort to determine whether forced or indentured child labor was used to mine, produce, or manufacture such end product. On the basis of those efforts, the offeror certifies that it is not aware of any such use of child labor.

(End of provision)

PREVIOUS CONTRACTS AND COMPLIANCE REPORTS (FEB 1999) (FAR 52.222-22)

The offeror represents that—

(a) It ( ) has, ( ) has not participated in a previous contract or subcontract subject either to the Equal Opportunity clause of this

solicitation,

(b) It ( ) has, ( ) has not, filed all required compliance reports; and

Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

#### AFFIRMATIVE ACTION COMPLIANCE (APR 1984) (FAR 52.222-25)

The offeror represents that (a) it ( ) has developed and has on file, ( ) has not developed and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or (b) it ( ) has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor. provided in Executive Order 11246, as amended; in the rules, regulations, and orders of the Secretary of Labor; or as otherwise provided by law.

(10) The Contractor shall include the terms and conditions of subparagraph (b)(1) through (11) of this clause in every subcontract or purchase order that is not exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor.

(11) The Contractor shall take such action with respect to any subcontract or purchase order as the Contracting Officer may direct as a means of enforcing these terms and conditions, including sanctions for noncompliance, provided, that if the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of any direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

(c) Notwithstanding any other clause in this contract, disputes relative to this clause will be governed by the procedures in 41 CFR 60-1.1.

#### COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATION (JUNE 2000) (52.230-1)

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

If the offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201-2(c)(5) or 9903.201-2(c)(6), respectively.

##### I. Disclosure Statement -- Cost Accounting Practices and Certification

(a) Any contract in excess of \$500,000 resulting from this solicitation will be subject to the requirements of the Cost Accounting Standards Board (48 CFR Chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201-1.

(b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR Chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR 9903.202. When required, the Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

**Caution: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.**

(c) Check the appropriate box below:

\* (1) *Certificate of Concurrent Submission of Disclosure Statement.* The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows:

(i) Original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable; and

(ii) One copy to the cognizant Federal auditor.

(Disclosure must be on Form No. CASB DS-1 or CASB DS-2, as applicable. Forms may be obtained from the cognizant ACO or Federal official and/or from the loose-leaf version of the Federal Acquisition Regulation.)

Date of Disclosure Statement: \_\_\_\_\_ Name and Address of Cognizant ACO or Federal Official  
Where Filed: \_\_\_\_\_

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

\* (2) *Certificate of Previously Submitted Disclosure Statement.* The offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement: \_\_\_\_\_ Name and Address of Cognizant ACO or Federal Official Where  
Filed: \_\_\_\_\_

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

\* (3) *Certificate of Monetary Exemption.* The offeror hereby certifies that the offeror, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling \$50 million or more in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

\* (4) *Certificate of Interim Exemption.* The offeror hereby certifies that

(i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and

(ii) in accordance with 48 CFR 9903.202-1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a revised certificate to the Contracting Officer, in the form specified under subparagraph (c)(1) or (c)(2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

**Caution: Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of \$50 million or more in the current cost accounting period may not claim this exemption (4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.**

## II. Cost Accounting Standards -- Eligibility for Modified Contract Coverage

If the offeror is eligible to use the modified provisions of 48 CFR 9903.201-2(b) and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

**\* The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 48 CFR 9903.201-2(b) and certifies that the offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received less than \$50 million in awards of CAS-covered prime contracts and subcontracts. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.**

**Caution: An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of \$50 million or more or if, during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of \$50 million or more.**

## III. Additional Cost Accounting Standards Applicable to Existing Contracts

The offeror shall indicate below whether award of the contemplated contract would, in accordance with subparagraph (a)(3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

\* yes \* no

(End of provision)

## INTENT TO FURNISH PRECIOUS METALS AS GOVERNMENT-FURNISHED MATERIAL (DEC 1991) (DFARS 252.208-7000)

(a) The Government intends to furnish precious metals required in the manufacture of items to be delivered under the contract if the Contracting Officer determines it to be in the Government's best interests. The use of Government-furnished silver is mandatory when the quantity required is one hundred troy ounces or more. The precious metals will be furnished pursuant to the Government Furnished

(b) Property clause of the contract.

(b) The Offeror shall cite the type (silver, gold, platinum, palladium, iridium, rhodium, and ruthenium) and quantity in whole troy ounces of precious metals required in the performance of this contract (including precious metal required for any first article or production sample), and shall specify the national stock number (NSN) and nomenclature, if known of the deliverable item requiring precious metals.

Precious Metal*	Deliverable Item Quantity	(NSN and Nomenclature)
-----------------	------------------------------	------------------------

---

\*If platinum or palladium, specify whether sponge or granules are required.

(c) Offerors shall submit two prices for each deliverable item which contains precious metals--one based on the Government furnishing precious metals, and one based on the Contractor furnishing precious metals. Award will be made on the basis which is in the best interest of

the Government.

(d) The contractor agrees to insert this clause, including this paragraph (d), in solicitations for subcontracts and purchase orders issued in the performance of this contract, unless the Contractor knows that the item being purchased contains no precious metals.

#### DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY (MAR 1998) (DFARS 252.209-7001)

##### (a) *Definitions.*

As used in this provision --

(1) "Government of a terrorist country" includes the state and the government of a terrorist country, as well as any political subdivision, agency, or instrumentality thereof.

(2) "Terrorist country" means a country determined by the Secretary of State, under section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(i)(A)), to be a country the government of which has repeatedly provided support for acts of international terrorism. As of the date of this provision, terrorist countries include: Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria.

(3) "Significant interest" means --

(i) Ownership of or beneficial interest in five percent or more of the firm's or subsidiary's securities. Beneficial interest includes holding five percent or more of any class of the firm's securities in "nominee shares", "street names," or some other method of holding securities that does not disclose the beneficial owner;

(ii) Holding a management position in the firm such as director or officer;

(iii) Ability to control or influence the election, appointment, or tenure of directors or officers of the firm;

(iv) Ownership of ten percent or more of the assets of a firm such as equipment, buildings, real estate, or other tangible assets of the firm; or

(v) Holding fifty percent or more of the indebtedness of a firm.

##### (b) *Prohibition on award.*

In accordance with 10 U.S.C. 2327, no contract may be awarded to a firm or a subsidiary of a firm if the government of a terrorist country has a significant interest in the firm or subsidiary, unless a waiver is granted by the Secretary of Defense.

##### (c) *Disclosure.*

If the government of a terrorist country has a significant interest in the Offeror or a subsidiary of the Offeror, the Offeror shall disclose such interest in an attachment to its offer. If the Offeror is a subsidiary, it shall also disclose any significant interest the government of a terrorist country has in any firm that owns or controls the subsidiary. The disclosure shall include--

(1) Identification of each government holding a significant interest; and

(2) A description of the significant interest held by each government.

#### BUY AMERICAN--BALANCE OF PAYMENTS PROGRAM CERTIFICATE (SEP 1999) (DFARS 252.225-7000)

(a) *Definitions.* "Domestic end product," "qualifying country," "qualifying country end product," and "nonqualifying country end product" have the meanings given in the Buy American Act and Balance of Payments Program clause of this solicitation.

(b) *Evaluation.* Offers will be evaluated by giving preference to domestic end products and qualifying country end products over nonqualifying country end products.

##### (c) *Certifications.*

(1) The Offeror certifies that-

(i) Each end product, except those listed in paragraphs (c)(2) or (3) of this provision, is a domestic end product; and

(ii) Components of unknown origin are considered to have been mined, produced, or manufactured outside the United States or a qualifying country.

(2) The Offeror certifies that the following end products are qualifying country end products:

##### Qualifying Country End Products

Line Item Number

Country of Origin

(List only qualifying country end products.)

(3) The Offeror certifies that the following end products are nonqualifying country end products:

##### Nonqualifying Country End Products

Line Item NumberCountry of Origin (If known)

(End of provision)

## PROHIBITION ON AWARD TO COMPANIES OWNED BY THE PEOPLE'S REPUBLIC OF CHINA (FEB 2000) (DFAR 252.225-7017)

(a) *Definition*. "People's Republic of China," as used in this provision, means the government of the People's Republic of China, including its political subdivisions, agencies, and instrumentalities.

(c) *Prohibition on award*. Section 8120 of the Department of Defense Appropriations Act for fiscal year 1999 (Pub. L. 105-262), as

(d) amended by Section 144 of Title I, Division C, of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Pub. L. 105-277), prohibits the award of a contract under this solicitation to any company in which the Director of Defense Procurement (Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics)) has determined that the People's Republic of China or the People's Liberation Army of the People's Republic of China owns more than 50 percent interest.

(c) *Representation*. By submission of an offer, the offeror represents that the People's Republic of China or the People's Liberation Army of the People's Republic of China does not own more than 50 percent interest in the offeror.

(End of provision)

## REPRESENTATION OF EXTENT OF OCEAN TRANSPORTATION BY SEA (AUG 1992) (DFARS 252.247-7022)

(a) The Offeror shall indicate by checking the appropriate blank in paragraph (b) of this provision whether transportation of supplies by sea is anticipated under the resultant contract. The term "supplies" is defined in the Transportation of Supplies by Sea clause of the solicitation.

(b) Representation.

The Offeror represents that it--

\_\_\_ Does anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

\_\_\_ Does not anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

## SECTION "L" - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

Offerors are reminded to list your Commercial and Government Entity (CAGE) Code and DUNS Number in Block 15a of Page 1.

It is requested that technical questions concerning this procurement be submitted, **in writing**, to arrive at NAVSURFWARCENDIV Crane not later than 2:00 PM EST on the seventh calendar day preceding the date shown in item 9 on page 1 addressed as follows:

Contracting Officer; Crane Division, Naval Surface Warfare Center; Attn: Luann Shelton, Code 1163, Bldg. 64  
300 Highway 361; Crane, IN 47522-5011

**SPECIAL NOTICE** - The Director, Defense Procurement has revised DFARS to require contractors to be registered in the Central Contractor Registration (CCR) as a condition for receipt of contract award effective 1 June 1998. Offerors may obtain information on registration and annual confirmation requirements by calling 1-888-227-2423, or via the Internet at [www.ccr.dlsc.dla.mil](http://www.ccr.dlsc.dla.mil). For further details regarding the requirements of CCR, offerors are advised to review the requirements of DFAR 252.204-7004 contained herein.

The mission at NAVSEA Crane is to provide quality and responsive acquisition services for this Command. In an effort to continue to improve our services, NAVSEA Crane is conducting a survey of our vendors. This survey may be found on the World Wide Web at the following address: <http://www.crane.navy.mil/supply/VendorSurvey.htm>. Your comments will help us determine if we are accomplishing this and show us ways to improve our processes. Please consider taking the time to complete the survey.

<u>PART I</u>		
<u>FAR Subsection</u>	<u>Title</u>	<u>Date</u>
52.204-06	Data Universal Numbering System (DUNS) Number	Apr 1998
52.211-15	Notice Of Priority Rating For National Defense Use	Sep 1990
52.215-16	Facilities Capital Cost of Money	Oct 1997
52.232-13	Notice of Progress Payment	Apr 1984
<u>PART II</u>		
<u>DFARS Subsection</u>	<u>Title</u>	<u>Date</u>
252.204-7001	Commercial and Government Entity (CAGE) Code Reporting	Mar 2000
252.204-7004	Required Central Contractor Registration	Aug 1999
252.227-7017	Identification and Assertion of Use, Replacement or Disclosure Restrictions	Jun 1995
252.227-7028	Technical Data or Computer Software Previously Delivered to the Government	Jun 1995
252.234-7000	Notice of Cost/Schedule Control Systems	Mar 1998

## SECTION "L" - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

### PROVISIONS IN FULL TEXT

SERVICE OF PROTEST (AUG 1996) (FAR 52.233-2)

(a) **Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO) shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from Luann Shelton, Contracting Office, NSWC Crane Division, 300 Highway 361 47522-5001. [Contracting Officer designate the official and location where a protest may be served on the Contracting Officer.]**

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (FEB 1998) (FAR 52.252-1)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a



solicitation provision may be accessed electronically at this/these address(es): <http://www.arnet.gov/far>

52.211-2 AVAILABILITY OF SPECIFICATIONS LISTED IN THE DOD INDEX OF SPECIFICATIONS AND STANDARDS (DODISS) AND DESCRIPTIONS LISTED IN THE ACQUISITION MANAGEMENT SYSTEMS AND DATA REQUIREMENTS CONTROL LIST, DOD 5010.12-L (DEC 1999)

Copies of specifications, standards, and data item descriptions cited in this solicitation may be obtained -

(a) From the ASSIST database via the Internet at <http://assist.daps.mil>; or

(b) By submitting a request to the --

Department of Defense Single Stock Point (DoDSSP)

Building 4, Section D

700 Robbins Avenue

Philadelphia, PA 19111-5094

Telephone (215) 697-2667/2179

Facsimile (215) 697-1462.

NOTICE OF PRIORITY RATING FOR NATIONAL DEFENSE USE (FAR 52.211-14) (SEP 1990)

Any contract awarded as a result of this solicitation will be ( ☐ ) DX rated order; ( ☒ ) DO rated order certified for national defense use under the Defense Priorities and Allocations System (DPAS) (15 CFR 700), and the Contractor will be required to follow all of the requirements of this regulation.

REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 1997) (FAR 52.215-20)

(a) *Exceptions from cost or pricing data.*

(1) In lieu of submitting cost or pricing data, offerors may submit a written request for exception by submitting the information described in the following subparagraphs. The Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable.

(i) *Identification of the law or regulation establishing the price offered.* If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.

(ii) *Commercial item exception.* For a commercial item exception, the offeror shall submit, at a minimum, information on prices at which the same item or similar items have previously been sold in the commercial market that is adequate for evaluating the reasonableness of the price for this acquisition. Such information may include--

(A) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), e.g., wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities.

(B) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market.

(C) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.

(2) The Contractor grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this provision, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the offeror's determination of the prices to be offered in the catalog or marketplace.

(b) *Requirements for cost or pricing data.* If the offeror is not granted an exception from the requirement to submit cost or pricing data, the following applies:

(1) The offeror shall submit cost or pricing data and supporting attachments in accordance with Table 15-2 of FAR 15.408.

(2) As soon as practicable after agreement on price, but before contract award (except for unpriced actions), the offeror shall submit a Certificate of Current Cost or Pricing Data, as prescribed by FAR 15.406-2.

#### TYPE OF CONTRACT (APR 1984) (FAR 52.216-1)

The Government contemplates award of a FFP, FPLOE, Cost and T&M orders/contract resulting from this solicitation.

#### REQUIREMENTS CONCERNING WORK WEEK (MAY 1993)

- (a) Uncompensated effort is defined as hours provided by personnel in excess of 40 hours per week without additional compensation for such excess work.
- (b) The offeror may include uncompensated effort in its proposed level of effort if:
  - (1) The offeror has an established cost accounting system, approved by the Defense Contract Audit Agency, which records all hours worked, including uncompensated hours, for all employees, and regardless of contract type.
  - (2) Uncompensated hours, for all employees and regardless of contract type, are included in the offeror's base for allocation of overhead costs.
  - (3) The proposal identifies hours of uncompensated effort proposed by labor category.
  - (4) The proposal identifies the amount of uncompensated effort which will be performed without supervision and without support personnel and assesses the productivity of such effort.
  - (5) The proposal describes the extent to which employees are required or encouraged to perform uncompensated effort and the impact the use of uncompensated effort has on work effectiveness.
  - (6) The proposal includes a copy of the corporate policy addressing uncompensated effort.
- (c) The above information must be provided for each subcontract which has uncompensated effort included in the proposed level of effort.
- (d) Any proposal which includes uncompensated effort in the proposed level of effort not in compliance with the above may be rejected.

#### BLANKET EXEMPTION CERTIFICATE

In accordance with the provisions of Section 39(a) and Section 6 of the Indiana Gross Income Tax Act of 1933, Crane Division, Naval Surface Warfare Center, Crane, Indiana, is specifically exempt as a Government activity from any payment of sales and use tax and has been assigned Exemption Certificate Number 0018103400015.

#### WORLD WIDE WEB SOLICITATION INFORMATION

Some solicitations available posted on the WWW site may not include all documents of the solicitation package. Drawings and Contract Data Requirement Lists (CDRLs) are examples of documents that may not be included due to technical issues. Under those circumstances, a notice will be provided with each solicitation package listing documents not available on WWW. Hard copies of the documents may be obtained by contacting the solicitation Point of Contact (POC) listed in the solicitation document.

Any amendments to the subject solicitation will be posted to the NSWC Crane Division WWW Page (<http://www.crane.navy.mil/supply/solicit.htm>) beneath the applicable solicitation. The complete solicitation package, including all amendments, should be received and reviewed prior to submitting a response. It is the responsibility of the offeror to obtain all amendments and/or other applicable documents prior to submission of the offer. Under these circumstances, offerors are reminded to include acknowledgement of acceptance of these amendments in their offer.